



Diani Flowers & Landscaping Ltd

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Communication on Progress Year: 2009

Statement of Continued Support of the UN Global Compact

Diani Flowers and Landscaping Ltd (DFL) is committed to continue offering total support to the Global Compact Programme of the United Nations and will endeavour to abide and support the ten principles of the programme through our policies, services and products.

24th February 2010, Mr. Urs Ringler, Managing Director

Company name: Diani Flowers & Landscaping Ltd

Sector: Agricultural

Number of employees: 100

UN Global Compact signatory since: 2007

Contact person: Mr. Urs Ringler

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Brief description of nature of business

A. Core Business

Diani Flowers & Landscaping Ltd is a company offering Landscaping and Gardening Services. Our main clients are:

1. United Nations Office at Nairobi (UNON) - Landscaping and Garden Maintenance Services Contract since the year 1992.
2. Amahoro National Stadium, Rwanda - Contract for Grounds Maintenance of Amahoro National Stadium.
3. UNPOS Nairobi Office - Contract for Grounds Maintenance.
4. Commission of Higher Education (CHE) - Contract for Landscaping and Garden Maintenance Services.
5. UNEP Nairobi - Contract for Maintenance of Indoor Plants.
6. UNICEF Nairobi - Contract for Maintenance of Indoor Plants and supply of fresh flower arrangements among others.

B. DFL Products

DFL produces a number of products from the UN Nature Trail, an initiative of the Step by Step Initiative group and the Friends of the Nature Trail. The products are sold at our Nature Trail shop and at the UN Commissary shop. Products stocked include charcoal, firewood, compost, tree seeds, wood chippings, honey, tea leaves etc

- We have a plant nursery which we propagate various plants i.e. Flowers and trees.
- We have established a vegetable garden which we grow fresh assorted vegetables. Some of the vegetables planted include Spinach, Lettuce, Beet roots, Aubergines, Cucumber, Coriander, Watercress, Leek, Tomatoes, Traditional vegetables, Parsley, Swiss Chard, Strawberries, Edule, Kales, Amaranthus, Carrots, etc.
- We also grow Herbs i.e. Peppermint, Rosemary and Thyme.
- We have fruit plants in our garden e.g. Pawpaw, Raspberry, Strawberry, Bananas and Loquats.
- We produce environmentally friendly charcoal, firewood and wood chippings by use of pruned materials. No tree felling is encouraged.
- We Produce compost manure and mulches from our composting units. This compost is used in our landscaping activities and is for sale at Nature Trail shop.
- We produce pure natural honey from our 36 bee hives placed in different sites around the UN Complex and away from contact with human beings.
- We grow tea and coffee in the UN Memorial Garden which was put up in memory of the 1998 American Embassy bombing.
- We collect tree seeds from the fields and prepare them for sale.
- We make Greeting Cards using paper and dry banana leaves.
- We sell fruit Jam that we produce using different types of berries e.g. strawberries, grown at the vegetable garden in the UN Complex.
- We make Toothpicks from acacia sieberiana tree thorns originating from the Nature Trail. No trees are felled for the production.

Scope of this COP

In this COP, we will report on all the 4 areas of the 9 Global Compact Principles. I.e, Environment, Anti-corruption, Labour and Human Rights.

Environment

- DFL ensures that chemicals are not used in the Company's operations and activities within the UN Complex. We use only biological substances for treatment of plant diseases.
- DFL abides with, and are compliant with all relevant and new environmental legislation in the country.
- DFL prevents and reduces waste water discharges and minimizes the impact on the aquatic environment through treatment and safe re-use of grey water for irrigation.
- DFL engages in recycling practices in relation to natural resources.
- DFL ensures that measures are taken to prevent and minimize operations and activities that have an impact on flora and fauna and degrade the natural environment and ecosystems.

Labour

- DFL takes all necessary measures to ensure that the company does not benefit from any forced labour.
- DFL ensures that workers enjoy basic freedoms i.e. Working hours, wages, Annual Leave and compassionate leave.
- DFL ensures that workers are afforded safe and suitable health & safety facilities in the workplace and training of the same.
- DFL supplies employees with protective equipment and training necessary to perform their duties safely.
- DFL ensures all staff are provided with transport means to ease lateness for their duties in reporting in the morning, thus functions are not delayed by lateness.

Human Rights

- DFL ensures the human rights of employees are respected.
- DFL ensures that it supports the community by buying raw materials and procuring services from the local inhabitants, markets and producers, through the CSR policies.

Anti-corruption

- DFL works against corruption in all its forms including extortion and bribery.
- DFL ensures that all international prescribed code of ethics and procurement code of ethics are followed.

Human Rights

UN Global Compact principles covered:

Principle 1: Business should support and respect the protection of internationally proclaimed human rights

Principle 2: Business should ensure that they are not complicit in human rights abuses

Human Rights Current

Commitment

Diani Flowers & Landscaping Ltd is committed to support and respect the protection of internationally proclaimed human rights and ensures that its policies are not complicit in human rights abuses.

A brief description of our Processes or Systems

- DFL ensures that its products are of high quality and are prepared using high degree of hygiene and care to eliminate the dangers of threatening the life, health or safety of the users - e.g. honey harvesting
- Products are well package, clearly labeled, properties indicated as well as expiry dates on the labels to create awareness to the consumers.
- Enhance consistency of production to enhance continuous availability of the products to consumers
- DFL ensures it supports to the local community by offering employment to the locals.
- DFL promotes business with the local community. E.g. We give the local community grass for their cattle or firewood in exchange for manure (cow, goat, chicken). We also purchase items e.g. red soil from them, which we use to level our lawns and for top-dressing.
- DFL ensures and requires that the catering company that supplies food to workers observe a high degree of hygiene in preparation of the meals so as not to endanger the health of its workers.
- DFL offers internship to university students undertaking degree courses in Ornamental Science & Landscaping.

Activities implemented in the last year

- Packaging of charcoal in both the 10kg and 5kg bags to make it affordable to all consumers
- A survey conducted by DFL Management earlier in 2009 revealed that the employees were unhappy with the services of the caterer. We therefore hired the services of a new caterer.
- DFL offered internship to five university students undertaking degree courses in Ornamental Science & Landscaping at Jomo Kenyatta University of Agriculture and Technology (JKUAT).

	<p><i>Measurement of outcomes and value added for our company</i></p> <ul style="list-style-type: none"> • By maintaining constant supply of our products we have gained many customers hence increased income. • DFL has realised its Corporate Social Responsibility through doing business with the local community and also employing the local habitants. • DFL employees are happy with the meals being provided by the new caterer according to our recent survey. • The students on attachment have been able to get practical experience in relation to Horticulture, Ornamental Science and Landscaping within our professional environment.
Human Rights Future	<p><i>Activities planned for next year</i></p> <p>Our vision is to expand the Nature Trail product range in 2010. These products are as follows.</p> <ol style="list-style-type: none"> 1. Beewax candles 2. Honey in combs 3. Crystallised honey 4. Pot pourru 5. Bamboo mat 6. Papyrus paper sheets 7. Dry flowers 8. Laminated table mats 9. Additional types of seeds for; shrubs, flowers and bulbs. 10. Wooden cutting boards 11. Wooden plates 12. Brooms 13. Banana leaf art 14. More vegetables e.g. salad, squash, pumpkins, ground nuts, potatoes 15. Fruits e.g. oranges, mulberries, lime, Mangoes

Labour Rights

UN Global Compact principles covered:

- Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining
- Principle 4: Business should support the elimination of all forms of forced and compulsory labour
- Principle 5: Business should support the effective abolition of child labour
- Principle 6: Business should support the elimination of discrimination in respect of employment and occupation

Labour Rights Current

Commitment

Diani Flowers & Landscaping Ltd is committed to observe the UN Global Compact labour principles by elimination of forced and compulsory labour, abolition of child labour and ensuring that workers enjoy basic freedoms i.e. working hours, fair wages, leave matters, health and safety in the working place etc. One of our key elements of Corporate Social Responsibility is to address our employees' workplace issues, as they are our number one stakeholders.

A brief description of our Processes or Systems

- Mandatory requirement for employees to have National Identity Cards before employment.
- United Nations "Guaranteed Fair Employment Package" policy.
- Complied with the Kenya Conditions of Employment Act i.e. NSSF registration for all staff and casuals (as a retirement benefit), NHIF registration as a social medical insurance cover and PAYE tax payable to the Income Tax Department.
- Provision of a guaranteed net salary inclusive of housing allowance and transport allowance.
- Enrolled employees in a medical insurance scheme for outpatient and inpatient cover.
- Provision of a substantive and nutritious lunch through the services of a catering outlet as well as tea in the morning.
- Provision of proper equipment/protective gear to ensure the safety of employees. E.g. Canvas shoes, gumboots, overalls etc.
- Provision of 21 days Annual Leave. Compassionate Leave should an occasion arise.
- Provision of four months paid Maternity Leave, exclusive of annual leave entitlements.
- Provision of Leave Travelling Allowance to employees when taking Annual Leave.
- Usual 8 hours working day. Overtime is paid for separately.
- The Management maintains an open door policy thus all employees are encouraged to participate in decision-making.
- Policy on maintenance of highest standard of staff discipline. Discipline handling procedures are strictly in accordance with the Legislation Subsidiary Agreement and prevailing labour laws.
- DFL issues all employees with fair and transparent employment contracts in a language understood by the workers before they start working.
- DFL issues its employees with a "Company Guide" before they start working.

- DFL gives one-month notice to employees to remind them of the expiration of their Contracts.
- Equal employment opportunities on the basis of qualifications regardless of sex, colour, marital status etc.

Activities implemented in the last year

- DFL engages in staff welfare by recognising outstanding performance and sponsoring employees in training. One of our Florists was sponsored for Floral Design Training organised by Kenya Flower Council. The employee was awarded a certificate upon completion of the training.
- Employees were provided with equipment/protective gear to ensure their safety while working. E.g. Canvas shoes, gumboots, overalls etc.
- We submitted the stipulated legal fees of all employees and casual labourers to the National Social Security Fund (NSSF), NHIF and PAYE
- DFL Provided the required four months paid maternity leave to one employee on maternity leave.

Measurement of outcomes and value added for our company

- DFL maintains harmony among its workers by issuing them with fair, transparent and understood employment contracts before they start working. This ensures that our employees are motivated and leads to greater productivity.
- Due to the open door policy, employees are able to express their grievances and the Management solves them amicably.
- The "Company Guide" serves as the employee manual that gives details about our company, employees' role, career prospects, benefit entitlements and rules & regulation. This guide gives employees understanding of their job.
- Through our medical scheme workers who have been officially recognised as suffering from HIV/AIDS, access and receive ARV's as well as their immediate family members thus increasing their productivity.
- The "Guaranteed Fair Employment Package" salary policy has helped to improve the working conditions of employees and has created a healthier and happier work force as well as increased the effectiveness and efficiency of the day to day running of the company.
- Provision of a substantive and nutritious lunch through the services of a catering outlet as well as tea in the morning has greatly improved productivity.
- DFL does not coerce its employees to forced or unpaid overtime and thus employees are always willing to work for extra hours and hence earn extra money.
- Due to the mandatory requirement of National Identity Cards, we have no minors working at DFL and thus child labour is abolished.

Labour Rights Future	<p><i>Activities planned for next year</i></p> <p>1. <u>Employee Representatives</u></p> <p>DFL plans to appoint an employees representative who will meet regularly with the Management to discuss work-related problems and any grievances employees may wish to raise.</p>
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Environment

UN Global Compact principles covered:

Principle 7: Business should support a precautionary approach to environmental challenges

Principle 8: Business should undertake initiatives to promote greater environmental responsibility

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

Environment Current

Commitment

Diani Flowers & Landscaping Ltd is committed to observe the UN Global Compact environmental principles and acknowledges the generally accepted environmental principles such as legal compliance, precautionary approach to environmental challenges, use of environmentally friendly chemicals/substances and the continuous improvement through environmental management.

A brief description of our Processes or Systems

- We have an anti-chemical fertilizers policy.
- We have an anti-chemical pesticides policy.
- We only use recyclable plant potting bags
- We use environmentally friendly building materials e.g. Clay
- We recycle grey water through treatment and use it for irrigation.
- We acquire the necessary legal licenses from the Nairobi City Council to operate our business.

Activities implemented in the last year

- Use of sustainable natural fertilizers e.g. Use of cow manure, goat manure and chicken manure. All these are safe for plants and they do not pollute the environment.
- We produce compost manure in our 4 composting units, by use of dead leaves, shrub and tree trimmings.
- Use of environmentally safe products for Pest & Disease control e.g. a mixture of Neem plant and soap is wiped on plants and trees affected by fungal infections. We also use milk with water as it is environmentally friendly and help in control of leaf fungus on plants. Ecotrap is also applied on plants to prevent pests from accessing plants.
- We pledged 10,000 trees towards the UNEP billion trees campaign. To date we have planted 22000.
- The recycled and treated grey water from toilets and sinks of the entire UN Complex is used for irrigation within the UN compound.
- We transplanted fully-grown trees from one area to another due to a project of new office construction in the UN complex.

	<ul style="list-style-type: none"> We implemented and extended the use of rainwater collection from the newly constructed CMMF site. <p><i>Measurement of outcomes and value added for our company</i></p> <ul style="list-style-type: none"> By use of grey water we have been able to conserve fresh water especially during the first two trimesters of year 2009 when we experienced severe water shortage in the country. By constructing our Nature Trail shop with 85% of recycled materials, we were able to save costs. On May 14th 2009, DFL planted 10,000 trees at Kedong Valley in conjunction with Police Officers of Embakasi Police Training College. We use recycled materials from our prunings to produce products, which we sell in the Nature Trail shop e.g. Charcoal, firewood, toothpicks. We do not cut trees to produce these products. Use of recyclable plant potting bags led to a reduction in expenses incurred in purchase of plastic bags.
<div>Environment Future</div>	<p><i>Activities planned for next year</i></p> <p><u>1. Construction of a big Composting Unit</u> We plan to construct an additional bigger composting unit to accommodate the amount of mowed and raked materials from the flower beds and lawns. The new composting unit will facilitate control of accumulated green matter especially during the dry and windy seasons, when a lot of dead leaves fall off trees. During this dry period, pruning of weak trees branches is intensified to avoid any eventualities. Cropping selectively of tree and bushes branches to restore shape and promote sturdy growth of the trees is also done. Trimming of water shoots especially of Bougainvillea hedges, Durantha hedges and Kei Apple fence is also done. All the waste material is swept, sorted and used for composting, the sticks are used to make wood chipping and the larger branches are used for charcoal production.</p> <p><u>2. Installation of Underground/Surface Water Tanks</u> Plans are under way to install additional Underground/Surface Water Tanks for collection of rainwater. The rainwater is used for irrigation, thus saving on fresh water.</p> <p><u>3. Mau Tree planting</u> We intend to involve our employees in planting trees at Mau Forest. This will be our contribution towards conservation of environment.</p>

Anti-corruption

UN Global Compact principles covered:

Principle 10: Business should work against corruption in all its forms, including extortion and bribery

Anti-corruption
Current

Commitment

Diani Flowers and Landscaping Ltd is committed to engaging only in transparent and fair business practices that do not distort the business environment. It is DFL's policy to promote an anti-corruption business environment.

A brief description of our Processes or Systems

- The company signs contracts with all clients.
- System where all employees personally sign after receiving their salaries and wages.
- The Managing Director has openly declared that the Company will not engage in corruption at any time or in any form.
- Company promotes and encourages employees to report suspicion of corruption-related cases or practices.
- Discouraging employees from accepting corporate gifts other than diaries, calenders and stationery.
- Transparency in procurement procedures.
- Police Certificate of Good Conduct required on all workers.
- Payment of all business legal fees and renewal of the same to the government e.g trade license.

Activities implemented in the last year

- DFL implemented a process of signing contracts/agreements with all its clients and agents.

Measurement of outcomes and value added for our company

- DFL discourages misuse of entrusted power for personal or private gain, which would otherwise ruin our reputation and increase the cost of doing business thus hampering economic development.
- By discouraging employees from accepting of corporate gifts other than diaries, calendars and stationery we have been able to curb bribery.
- All employees are required to obtain a Certificate of Good Conduct from the Criminal Investigation Department of Kenya before employment and to renew it annually. This has enabled us to detect workers with past criminal records.

Anti-corruption Future	<p><i>Activities planned for next year</i></p> <p><u>1. Supplies Manual</u></p> <p>DFL is in the process of creating prevention and monitoring procedures between the workers and suppliers. This is by creating "supplies manual" which will list the prices of all our suppliers against the commodities supplied.</p> <p>We are currently preparing a plants catalogue which we will list the prices of several of our suppliers and consult it every time we need to purchase plants other than sending employees to buy the plants without the knowledge of the prices. This is aimed at reducing the cost of purchases.</p>
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How do you intend to make this COP available to your stakeholders?

We intend to include this COP in our Annual Report.

Donations, awards

Donations

We support the community in various activities among them are:

1. During the month of March 2009, Diani Flowers & Landscaping participated in the UN Family Appeal towards raising funds for Kenyans affected by drought and starvation due to the acute food shortages in Kenya. Our staff gave cash donations amounting to Ksh. 50,000.00. The money was used to purchase maize meal, cooking fat and atta whole meal flour that we presented for distribution.

Awards

In the month of October 2009, during the Kenya Horticultural Society Flower Show, held at Muthaiga Country Club, Diani Flowers & Landscaping was awarded 7 certificates for different flower/plants display. Among them were 3 for first prize, 2 for second prize and 2 for third prize.