

COMMUNICATION ON ENGAGEMENT (COE)

PERIOD COVERED

From: January 2017
To: Dec 2017

BoP Innovation Center

Utrecht, The Netherlands

1. STATEMENT OF CONTINUED SUPPORT

June 6, 2018

To our stakeholders:

I am pleased to confirm that BoP Innovation Centre reaffirms its support to the United Nations Global compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In line with Global Compact, our strategy 2020 is continuously based on creating more impact on the SDGs in which we actively and mainly contribute which are:

SDG 2 Zero Hunger: working on projects of sustainable food systems, sustainable agriculture, and nutritious and affordable food

SDG 8 Decent work and economic growth: being active on projects promoting inclusive markets and societies, developing knowledge transfer programs for sustainable increase in production and productivity and training in entrepreneurship

More specifically and through our projects we also contribute to other 6 SDGs:

SDG 1: No poverty: reducing inequality and supporting the development of income generating activities as well as creating employment

SDG 3. Health and wellbeing: Equalities on distribution of wealth, inclusive societies and supporting the promotion of healthy and nutritious diets.

SDG 5: Gender equality: through women empowerment and women entrepreneurship activities and programs

SDG 6: Clean water and sanitation: Be involved in projects that promote access to sanitation practices, education on hygiene practices and promoting the development of adequate water management systems

SDG 7. Affordable clean energy: Sustainable and clean technologies, access to affordable and reliable energy and renewable energy product distribution

SDG 11. Sustainable cities and communities: waste management, inclusive societies and resource efficient communities.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Henk van Duijn
Chief Executive Officer

2. About us: BoP Innovation Center

BoP Innovation Center provides services and tools to develop inclusive businesses in the 'Base of the Pyramid' (BoP). The BoP is a demographic term that covers the approximately 4.5 billion people who have to live on less than US \$ 8 per day. Inclusive business refers to commercially and socially viable business models which include the people in the BoP as consumers, producers and entrepreneurs in the supply chain. Our mission is to develop and support new business activities with entrepreneurs and companies that aim to deliver value to and with communities in the BoP.

Core expertise

Our services are based on three pillars of expertise:

Inclusive Innovation: we develop and explore innovations which are feasible and desirable for BoP markets.

Marketing & Distribution: we offer marketing & distribution solutions to corporates, small and medium enterprises (SMEs) and start-ups that want to develop inclusive business.

Inclusive Business Empowerment: we advocate for inclusive business, build knowledge, create partnerships and capacitate professionals who are involved in the market for inclusive business services.

With the work we do within our pillars our work seems most closely related with the following 2 principles of Global Compact:

Principal 6 - Labour: the elimination of discrimination in respect of employment and occupation: We are focussing in elimination labour discrimination by working for instance, especially with women to create new jobs for them as Nutritional Sales Agents to sell hygiene and nutritional products to people in Bangladesh who currently lack access to those products.

Principal 9 - Environment: Encourage the development and diffusion of environmentally friendly technologies: As BoPInC we are working on the development of different forms of renewable energy and how to improve energy sources with new innovations. As an example, we are working with milk farmers and processors in Tanzania and Zambia to develop milk chillers that are running on biogas to decrease losses during distribution.

Besides the work we do focussed on the principles of Global Compact our work seems most fitting in the following three actions:

- Join and/or propose partnership projects on corporate sustainability
- Engage companies in Global Compact-related issues
- Join and/or support special initiatives and work streams

3. Description of actions in support of the GC principles

The projects below present 4 examples of the many activities we do that indicate how we work with companies and SMEs to improve their impact in line with the GC principles and actions.

3.1 Sustainable value chain development in Aquaculture

In the Kenya Market Led Aquaculture Program (KMAP), we have worked with several stakeholders within the aquacultural supply chain to generate sustainable income, food security and employment for project beneficiaries. One of those beneficiaries is Upande. Upande is a specialized GIS and WebGIS Solutions company. Together with Upande we did a test with an app to gain water quality insights. Water quality has great effect on the fish production and soil and groundwater pollution if it is not managed correctly, therefore this app can be of great help to Upande's customers. Moreover, we gave advice on how to restructure the value chain, we gave business development training and together we developed a market strategy to improve the company's route to the market.

Another company that we supported was Lenalia. Lenalia is a small company producing high quality fish feeds, made out of feather meal. Feather meal is normally a byproduct of the poultry production and is reused in a great way by this company. We gave Lenalia business support services through Inclusive Business Empowerment training in order to get clear directions into marketing and distribution of its unique fish feeds. Until now we have supported slightly over 400 farmers and 30 active traders in Central and Western Kenya. [More information about KMAP](#)

3.2 Access to nutritional and hygiene products and stable income for BoP population

Profitable Opportunities For Food Security (PROOFS) improved the food and nutrition security and WASH situation of households, by applying a nexus-approach. This means that PROOFS simultaneously engaged in activities designed to stimulate and improve local market systems that deliver agricultural, nutrition and WASH products and services to smallholder producer households. The agricultural, nutrition and WASH interventions are complemented by an additional Vocational Education Training (VET) component targeting adolescents in PROOFS targeted households.

BoPInc co-designed and implemented the nutrition intervention within PROOFS. The PROOFS nutrition intervention uses a market based approach that combines behavioral change campaigns and door-to-door sales through a network of 320 Nutrition Sales Agents (NSA) to improve household nutrition. The NSAs have been an influential market trigger for scaling the consumption and distribution of nutrition and hygiene products among family members with an emphasis on vulnerable family members including pregnant women. In total the NSAs reached 270678 consumers in 2017. [More information about the PROOFS.](#)

3.3 Support local businesses and other stakeholders in sustainability initiatives, transparent and beneficial to low-income communities

Within the framework of the 2SCALE program (2scale.org) we have worked extensively with the Mozambican Chicken producer Novo Horizontes. We helped Novos Horizontes to develop a stronger brand to distribute their high nutritional poultry products to BoP consumers. We did this by building capacity for 40 retailers and 8 resellers, by doing product tasting and market campaigns and to improve the shop branding. Within 8 weeks already 460,343 units of poultry were sold.

Additionally to many of the other SMEs we have supported in 2SCALE, BoP Innovation Center supported Shalem in the development of a new business model to start selling their nutritional porridge to BoP consumers in the Mara region in Kenya. BoPInc conducted a Business Canvas Model

workshop using the business development tools from the Inclusive Business Accelerator (IBA) toolkit to design the award-winning business/marketing strategy. Shalem was able to sell already 2,500 units of 400 gms Asili Plus Porridge flour in 4 weeks. To achieve this goal 40 women sales agents were involved who reached 800 women in total.

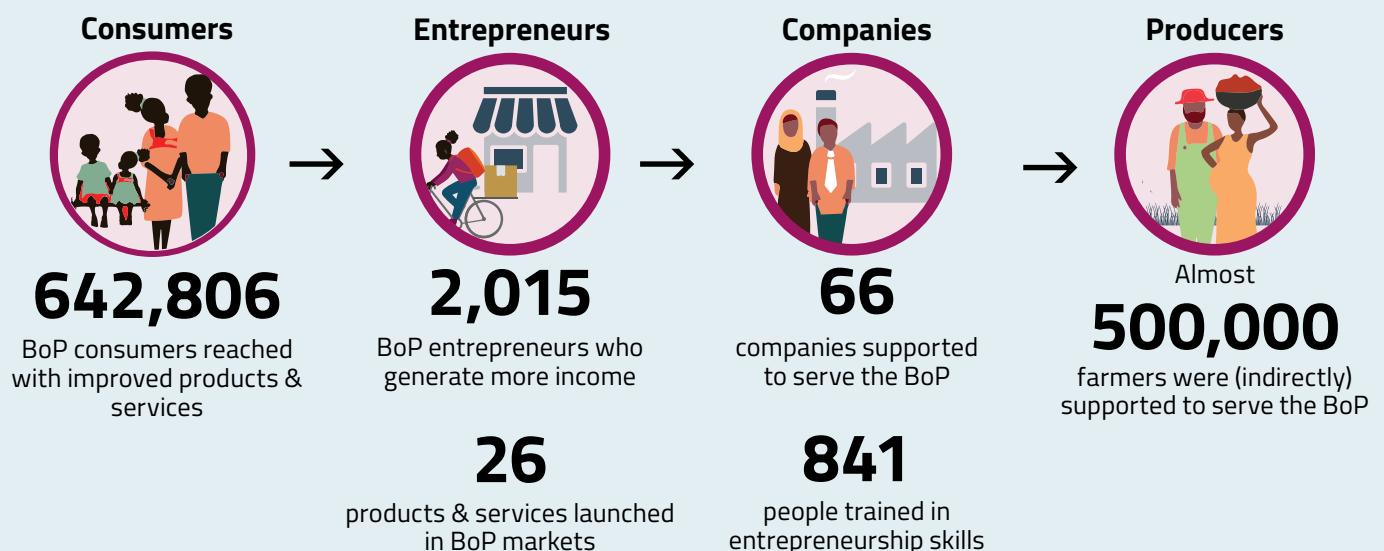
3.4 Improving access to sanitation by increasing sales with Virtual Reality

In 2010, 9 million people in Mozambique alone used unsanitary or shared latrines and another 9 million had no latrine at all and therefore defecate in the open. These figures are only dropping slowly. Changing attitudes surrounding sanitation, one of the more pressing issues facing low-income households in Mozambique, should be approached in a different way than it currently is. Therefore Virtual Reality (VR) could be a great outcome.

In 2017 we started with the project to develop a new sales tool using virtual reality to sell Latrines. This tool can help toilet companies in the marketing of their products and with this innovation better access is created to sanitation for people in Mozambique. [Virtual Reality sales agents testimonials.](#)

4. Overview of our impact in 2017

The infographic below shows how many people and companies we have reached and how many new innovations and products we have launched on the market in 2017 with all our projects:



* To this report we have attached the annual report 2017, which elaborates the outcomes and results of all activities BoPInc has been engaged in 2017.