

ANNUAL REPORT 2010-10-15

Member organization's name:	Swazi Indigenous Products
Main address:	Box 163, Mpaka, Swaziland
Webpage:	www.swazisecrets.com



COMPANY DESCRIPTION

Swazi Indigenous Products (SIP) works against poverty and for the empowerment of rural women through value-adding and commercialisation of naturally growing, indigenous plants, primarily Marula, Trichilia and Ximenia. Some 2,400 women harvest the seeds in their communities, dry and crack them by hand, and sell them to SIP. At the factory in Mpaka, Swaziland, the kernels are pressed to oils and further processed into range of natural cosmetics which SIP markets both locally and internationally under its own brand - Swazi Secrets. SIP operates in drought-prone, poverty-stricken areas, and providing an income opportunity for rural women for 8 months of the year which enables them to pay for food, school fees, health care and to invest in micro-enterprises. To preserve the natural resources that the rural households depend on, SIP addresses sustainable harvesting volumes and methods, tree-planting, environmental and organic training, environmental footprint of factory operations etc. To take SIP's impact beyond income generation, the company is owned and governed by groups of its kernel suppliers, and Self-Help Groups are further incubators of women's empowerment.

SIP's mission is: To be a sustainable Natural Products company owned by and generating income for rural Swazi women in line with the highest standards of Fair Trade and Environmental Sustainability.

UEBT MEMBERSHIP OBLIGATIONS

Steps	Dates <i>Historical/expected</i>	Verification Body
UEBT audit 1	27-30 Jan 2010	Afrisco - Ecocert
Provisional Membership, if applicable		
Work-plan approval	31 Mar 2010	Afrisco - Ecocert
Membership status granted	17 May 2010	
Annual report 1	15 Oct 2010	
Annual report 2		
Audit 2		
Annual report 3		
Audit 3		

Impact measurement indicators submitted to UEBT? Yes No
 Implementation indicators submitted to UEBT? Yes No
 Narrative report submitted to UEBT? Yes No
 Documents annexed for public use? Yes No
 If so, number of annexes:
 Description of the annexed documents:

PROGRESS IN IMPLEMENTATION OF UEBT WORK-PLAN

Percentage of the work-plan implemented

Approx. 60% of the work plan activities have been implemented between February and October 2010. This represents mostly the actions within SIP's control e.g. information gathering, sessions with suppliers and changes at the factory. The remaining 40% will progress more slowly, as we will depend on the co-operation and pace of communities and external partners.

Progress in the implementation of the UEBT work-plan

Principle 1. Conservation of biodiversity

Management system	Document describing the threats to the ecosystem has been drafted. Still compiling summary of mitigation actions by various stakeholders, to better pinpoint what complementary/supporting action SIP can contribute (since key threats not linked to SIP's activities). Compilation and study of CBD-related national policies and plans almost complete (and no conflicts with SIP's practices found); it is proving difficult to track down any actual implementation by relevant parties that SIP can link into or support.
Supply chain	Training sessions with supplier groups (2 per district) on erosion, overgrazing, tree planting, waste management. Obligatory tree-planting tightened (some improvement but still not satisfactory), incentives for voluntary tree-planting about to be launched. Organic training in progress, including 6 new/reactivated communities.

Principle 2. Sustainable use of biodiversity

Management system	The sustainability of the wild harvesting was analysed at SIPs inception and continually reviewed and elaborated on. An external evaluation (peer review) was delayed due to lack of funds but is now imminent. Waste separation & recycling at factory now fully functioning (as long as current recycling company stays in business).
Supply chain	A poor 2010 marula harvest, along with our sensitisation of suppliers has made more of them realise that the inventory is ageing and that enrichment planting is indeed advisable to counteract the damage done to samplings by grazing livestock. Waste management training for suppliers yielded mixed reactions - some perceiving it as interference with their personal affairs, others welcoming the lesson on how to look better after their land.

Principle 3. Fair and equitable sharing of benefits

Management system	
Supply chain	

Principle 4. Socio-economic sustainability

Management system	
Supply chain	

Principle 5. Compliance with national and international legislation

Management system	
Supply chain	

Principle 6. Respect for the right of actors

Management system	3-year contracts for staff replaced by long-term ones.
Supply chain	Discussion on sites of interest conducted in one district (4 still to do); feedback so far is that access and protection are well under control through traditional law & custom.

Principle 7. Clarity about land tenure, right of use and access to natural resources

Management system	
Supply chain	

Changes in UEBT work-plan

More training and awareness sessions with the suppliers on environmental risks and rehabilitation had been planned. However, the procurement season for marula was short in 2010, owing to lower marula harvest and fewer suppliers participating than in previous years, due to most having had a decent maize harvest from their fields, thus less interest in marula kernel sales. The sessions will continue in the next season. Some supplier groups have invited us to hold a similar session at their community, i.e. to address also non-suppliers, especially the men. We will try to organise this in a few communities, to see what mobilisation we can achieve.

ADDITIONAL INFORMATION

Achieving profitability independent of donor-funding remains a challenge, but further development of the Swazi Secrets range and a "liberalisation" of bulk sales have laid a good foundation.