



Strengthening

Agribusiness Ethics,
Quality Standards,
& ICT Usage in
Uganda's Value Chains

CODE OF RESPONSIBLE AGRIBUSINESS CONDUCT IN UGANDA

Developed by

“Strengthening Agribusiness Ethics, Quality Standards & ICT usage in Uganda’s value chains”
(AGRI-QUEST) Research Project together with stakeholders in the...

Rice Value Chain, Dairy Value Chain, Cassava Value Chain, Potato Value Chain, and Oil Seed Value Chain

MARCH 2018

Vision: To make Ugandan agribusinesses sustainable by bringing value to the society

We agribusiness people are convinced that Successful agricultural business is key to stability, prosperity, and welfare. With our agribusinesses, we will only be able to perform our role in society in the long-run if people see: **Commercial agriculture benefits society** as consumers (by supplying them with the highest quality products and services), as employees or entrepreneurs (by offering good jobs, safe and at decent pay), and as citizens (by paying taxes and voluntary engagement).

Our intention is to foster trust in the Ugandan agricultural business community and to create long-term commitment to the development of the Ugandan society. As players in the agricultural sector, we recognize our key

responsibility in ensuring good nutrition and food security for the people of Uganda. With this Code, we commit ourselves to adopt and implement principles of responsible leadership and business conduct and encourage other stakeholders to follow us. These guidelines provide an integrated framework; therefore, they must not be seen isolated but altogether explain our understanding of responsible business practices in agriculture.

Mission: Foster compliance, success, respect, and integrity

We firmly believe that:

Agribusinesses that bring sustainable value to society should adopt and implement a shared understanding that is built on four fundamental values: compliance, success, respect, and integrity.



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1. Compliance:

Rules form the basis of a prospering society because they guarantee mutual reliability and trust. In fact, rules are also a major condition for successful business. Illicit behaviour, bribery and corruption irrevocably harm society's trust in political and business leaders and damage common welfare.

We therefore pledge to comply with prevailing legislation, agricultural best practices, good governance, and industrial guidelines. We strengthen efforts to make the respect of rules a common ground for the whole Ugandan agricultural industry and society.

2. Success:

Only businesses that make a profit can exist. Profits are also essential for offering jobs, for investing into the creation of value, for paying taxes and for contributing to charity especially within the communities in which the companies operate. However, profits earned from unlawful and irresponsible actions – such as exploitation of natural resources and workforce, environmental pollution, corruption and bribery and displacement of land owners– are unacceptable. They damage society's trust in business and

limit every single company's business opportunities in the future.

We therefore strive to make profits and increase value for all stakeholders in a manner that encourages and does not undermine trust in business.

3. Respect:

Every single business is dependent on good relations with its employees, business partners, consumers, citizens, associations or state institutions. Their willingness to cooperate both in the present and in the future is determined by the level of respect they perceive. Only respectful business relationships are lasting relationships that can lead to the creation of sustainable value for all involved stakeholders. That means that companies have to pay attention to the expectations and demands of their stakeholders to a fair share.

We therefore respect the rights of the Ugandan people as we are convinced that successful business depends on sustainable cooperation which builds on mutual respect of stakeholders.

4. Integrity:

In order to obtain the confidence of all

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stakeholders, business leaders and decision makers – serving as role models in our society – have to be credible. Because they will be measured against their actions, words and deeds need to go hand in hand. Irresponsible behaviour will not only put the reputation of every single company but of the entire business community at risk. Rules can only be credibly enforced if every single manager and staff member takes responsibility for his or her actions. This way, we strengthen our company culture that is built on achieving success within the rules and on fostering value orientation.

We therefore live up to our responsibilities. For us, responsibility also means that we have to be reliable and keep our promises. We act according to the principles of this Code.

Practice: Living up to our principles

We the agribusiness community, will integrate our agreed-on principles in all our daily business activities and we will provide orientation for managers, employees and partners. Particularly, this applies to the following fields of practice:

Workplace

Decent working conditions and social inclusion are essential human rights and belong to the core duties of any company towards its employees and their families. We acknowledge that the employees, with their different qualities

and aptitudes, are crucial for the success of our business.

As for our principles, this means:

- **Compliance:** We stick to laws and regulations that shape workplace standards and account for a safe and healthy working environment in all of our operations. We support our employees and help them to steadily bring in their qualities. We therefore strive for offering and improving the quality of working conditions and we account for due and fair payment.
- **Success:** We make profit without bribes because they damage our business' existence, our reputation as reliable employers and in the end the job security of our employees.
- **Respect:** We give opportunities to employees to be listened to and we put in place adequate mechanisms. We do not tolerate unfair discrimination or any form of favouritism and we engage people according to their skills.
- **Integrity:** We act within the rules and in the interest of the company. Besides living up to responsible business by our own, we honour responsible behaviour of others.

Marketplace

In relation to customers and clients, it is the prime responsibility of agribusinesses to deliver quality and reliable supply of agricultural products and services. We acknowledge that we need to stick to our promises and continuously search for solutions that fulfil the wishes and needs of the people, that improve their quality of life and that ensure food security and good nutrition.

As for our principles, this means:

- **Compliance:** We adhere to recognized and transparent health, safety and quality standards for our agricultural products. We strive for making these standards compulsory to our suppliers in order to improve trust in our products and services.
- **Success:** We intensively communicate with

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our internal and external stakeholders and will get everybody concerned involved. We act transparently to avoid any distrust in our success and to understand stakeholder concerns.

- *Respect:* We value our suppliers as partners and engage in dialogue on fair operating practices. We attempt to spread our ideas of responsible business towards them.
- *Integrity:* We always have our customers in mind and react to problems and consumer

and inclusive business environment.

As for our principles, this means:

- *Compliance:* We engage in constructive dialogue with regulatory authorities and we refrain from any violation of environmental standards that might harm our natural heritage.
- *Success:* We have proper structures in place in order to promote sustainability. Our long-term success depends on our ability to promote green business and to attract



requests timely. Our products and services correspond to our promises. It is our responsibility to spread a quality-driven spirit in the Ugandan agricultural business community.

Environment

The limited availability of natural resources places a duty on businesses to strive for their efficient utilization for the good of society. This is the only way that more and more people will be able to make a living in spite of diminishing resources. The yardstick is the principle of sustainability: striving for balancing ecological, social and economic impacts in all business activities. We acknowledge that a proper environment is a condition for doing business and for keeping the livelihood of our society and work for the transition towards a sustainable

suitable investors.

- *Respect:* We show respect towards our natural environment and biodiversity. We therefore implement incentive structures which reward environmental sustainability and further spread sustainable business practices.
- *Integrity:* We think and act beyond the borders of our business and we take responsibility for the environment by offering our best practice solutions and learning. With our behaviour, we positively influence others and contribute to better environmental protection.

Community

Companies are part of the communities in which they operate. The relationship must therefore be based on mutual acceptance

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and understanding. We acknowledge that regular open and transparent dialogues are an important means to exchange our intentions and expectations of community members.

As for our principles, this means:

- **Compliance:** We respect cultural and social norms. Meanwhile, we also engage in clear expectation management which means that we explain in an adequate manner what we stand for from the beginning.
- **Success:** We let communities participate in our success by offering win-win solutions.
- **Respect:** We engage in community dialogue and use media effectively to spread knowledge and to guarantee a transparent flow of information.
- **Integrity:** We keep our promises made to the community and we react timely to concerns that arise out of our business operations in order to prevent negative impact on local communities.

Implementation

As responsible agribusiness leaders, we want to make our actions verifiable by the general public and we agree that:

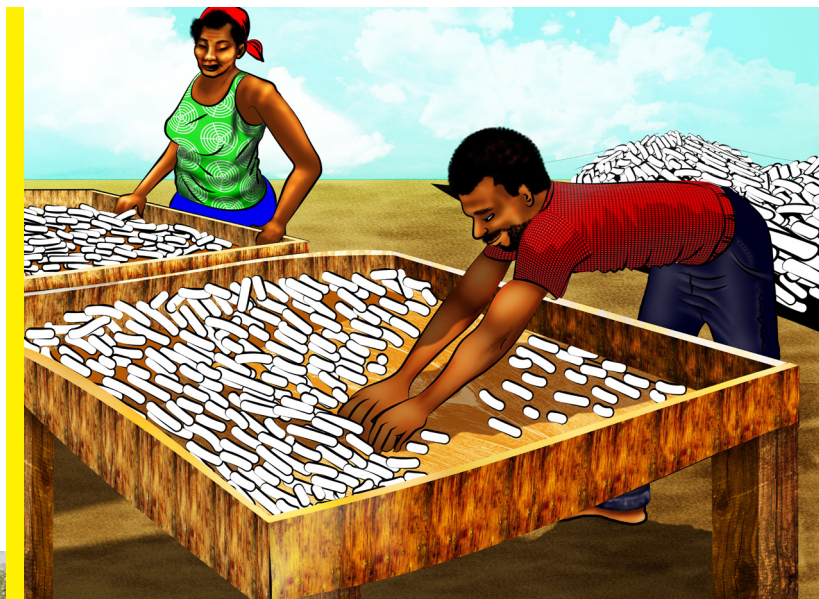
- We will inform the public on our adherence to the Code and on our progress in implementing its principles by adequate modes of communication.
- We will have a corporate responsibility strategy that is in line with the principles and positions of the Code and we will make sure that the ideas of the Code are spread at all levels of our business.

- We will regularly exchange our learning and experiences on the implementation of the Code.
- We will increase acceptance of the Code within the Ugandan agribusiness community by inviting more companies to join the initiative and share its ideas with politics, civil society and society at large.

We agree to abide by this Code

Signed by: Name, and Signature:.

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Checklist for Voluntary Self-Reporting on Performance and Living by this Code of Conduct

This self reporting and improvement checklist supports agribusiness players in their self assessment of Code of Conduct implementation. Agribusinesses can use this self assessment framework to demonstrate compliance with the Code to their business partners, and use it as a tool for continuous learning and improvement of Code implementation

Mission: Foster Compliance, Success, Respect and Integrity

Category	Self-assessment	Notes/explanations
Compliance with rules and norms	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	
Success & profitability	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	
Respect for stakeholders	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	

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Integrity & reliability	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	

Practice: Living up to our principles

Category	Self-assessment	Notes/explanations
Workplace	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	
Marketplace	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	
Environment	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	

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Community	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	
Implementation	Past performance	
	<input type="checkbox"/> <i>above expectations</i>	
	<input type="checkbox"/> <i>satisfactory</i>	
	<input type="checkbox"/> <i>room for improvement</i>	
	Improvement plans for the future	
	<input type="checkbox"/> <i>We encouraged other businesses to follow our example</i>	
	<input type="checkbox"/> <i>We have ideas for internal improvement</i>	
	<input type="checkbox"/> <i>We need external support</i>	

AGRI-QUEST aims at having a better agribusiness climate in Uganda's agricultural value chains. It provides state-of-the-art information resources, analyses & policy recommendations on topics related to ethics, quality standards, sustainability, and Corporate Social Responsibility (CSR). The project is funded by The Netherlands Organisation for Scientific Research (NWO-WOTRO).

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