



Kenya Bixa Ltd & Chr. Hansen A/S

Kenya Bixa manufactures Norbixin – a natural colouring agent from the bixa plant, utilised in the food stuff industry. Chr. Hansen is one of their most important customers and was their partner in the SUSBIZ Kenya Programme. As a factory with potentially hazardous production processes, Kenya Bixa had a strong focus on health & safety during their participation in the SUSBIZ Kenya Programme. Furthermore, with a supply base mainly consisting of small scale farmers, supply chain security and responsible supply chain management were points of concern to the company.

The SUSBIZ programme supported Kenya Bixa to upgrade and implement health & safety management into its operations. Environmental responsibility was addressed with a special focus on large amounts of organic waste and the heavy energy consumption necessary for the Norbixin production processes. Furthermore, supply chain management was addressed in dialogue with farmers, to ensure a steady supply of raw materials, and to define and implement adequate responsible supply chain management policies.

Kenya Bixa now manages its own CSR activities, as an integral part of its business. This continues to improve Kenya Bixa's business operations as well as the relation with international customers. It has also

strengthened the partnership between Kenya Bixa and Chr. Hansen. In 2013 Kenya Bixa significantly increased production and sales in close collaboration with Chr. Hansen.

Company facts

Kenya Bixa Ltd

- Est. 1979
- 255 Employees
- Products: Natural food coloring agent (Norbixin)

Chr. Hansen

- Est. 1874
- 2500 employees in 30 countries
- Products: Ingredient solutions for food, pharmaceutical nutritional and agricultural industries

About SUSBIZ Kenya

SUSBIZ Kenya was a multi-stakeholder Corporate Social Responsibility (CSR) programme with partners from Federation of Kenya Employers, the Danish Business Authority and Danish Federation of Small and Medium Sized Enterprises.

The SUSBIZ Kenya Programme was implemented from 2011 – 2013 and facilitated integration of sustainable business development and strategic CSR in Kenyan companies, who had Danish business relations. The aim was to build capacity and show that socially and environmentally responsible business conduct create better companies.

The approach focused on:

- Participation of managers and workers
- Shift away from check lists of compliance, to implementing change management
- Develop local capacity to deliver workable solutions to integrate CSR into its business
- Business enhancement is realised through implementing CSR management

The SUSBIZ team worked with knowledge sharing through training workshops and in-house assistance with a focus on practical solutions. The activity flow through the Programme was: CSR assessment and initial audit reports -> action plan development -> training and in-house capacity building -> progress evaluation -> documentation and external communication.

Environmental challenges come full circle



To address the environmental challenges, Kenya Bixa invested in waste management and energy saving initiatives. This led not only to reduced negative environmental impact, but benefited the business through cost savings, new revenue streams and increased product quality.

Only 4% of the total weight of bixa seeds ends up as the actual end product, the food colorant Norbixin. For Kenya Bixa this resulted in 240 tons of organic solid waste every month. To maximise the opportunities to best manage this waste, Kenya Bixa invested in equipment that would result in significant energy savings and provide a new revenue stream.

The solid organic waste from production of Norbixin was realised to be a potential resource for producing organic manure. Hence, an organic manure plant was installed, and the waste was recycled into being a new commodity and revenue stream of organic manure. The plant is estimated to produce up 230 tons per month, with an estimated payback period of 5 years.

Furthermore, an additional opportunity was realised from the organic waste. By fermenting the bixa waste, bio-gas could be produced for utilisation in production processes. This was achieved through a fermenting plant and by installing a gas-pressuriser and a gas burner. Consequently 24000 litres of diesel was saved in 2013, equivalent to KES 2,4 mio. and resulting in a reduction in CO² emissions of 64 tonnes.

Additional environmental initiatives:

Altogether, the investments and initiatives have demonstrated both business benefits and sustainable environmental solutions.



Organic Manure Plant

In addition to production of bio-gas and organic manure, Kenya Bixa continues the focus on environmental responsibility:

- Instead of burning plastic waste on site, waste is now disposed through a waste handler authorised by the National Environmental Management Authority.
- The steam line and dryers used in Norbixin production were insulated to save energy and create higher temperatures in the dryers, improving process quality.

“The SUSBIZ Programme was very important in terms of benchmarking international CSR standards. We’ve implemented environmental, health & safety practices, which has had a real impact on our business. It has increased our operational effectiveness, ensured a steady and responsible supply of bixa seeds, while we are going beyond compliance with CSR requirements from international customers.”

Noah Kakai
General Manager

Steady supply of seeds and fair business for farmers



Kenya Bixa needed to ensure a steady supply of bixa seeds in order to meet international demand and maintain their customers. Through effective supply chain management of farmers to produce bixa seeds, the company not only secured their future business, but created better and more stable working conditions.

The objective in securing a steady supply of raw materials was for a significant number of farmers to up-scale or switch to bixa seed farming. The key challenge was that many farmers were unsure about the potential income and sales of bixa seed farming. Most farmers were mainly producing for their own consumption and if income from bixa farming would fail, farmers could risk their livelihood. It was therefore important to ensure a living wage and guarantee future sales which would secure a stable and improved standard of living. Kenya Bixa implemented the following incentives:

- Long-term sales contracts
- Guaranteed minimum price ensuring a living wage, well above the legal minimum wage
- Free seedlings to farmers
- Free training on how to farm bixa



Meeting between Kenya Bixa and farmers



Bixa seeds

The integration of CSR and business management greatly affected Kenya Bixa's business performance and ensured their long term business as a solid supplier of Norbixin.

Kenya Bixa managed to contract 350 farmers, securing a steady and sufficient supply of bixa seeds. This in turn ensured that Kenya Bixa could meet customer demands, and strengthen their business relationship with Chr. Hansen. As a result of securing long-term business from Chr. Hansen, the farmer's income from bixa seed farming has been secured, generating a stable livelihood and ability to plan for their families

Anti-Child Labour

Kenya Bixa used the training and work shop engagement with farmers to educate about child labour issues. Children at the small scale family farms were well and attended school. But from time to time, they would help their parents on the farms. Policies and training was therefore needed, to ensure that child labour issue would not arise.

Farmers are now aware of the policies and importance that children also in the future attend school, have time to play and that their needs are well taken care of. Children are still allowed to help with light work a few hours a day, which helps them learn farming practices.

Managers and staff think health & safety first!



Through SUSBIZ workshops on health & safety, Kenya Bixa realised the relevance of up-scaling health & safety management. The results inspired operational effectiveness and staff well being.

The company was intend to up-scale its' health & safety efforts on several fronts:

- Overall revision and structuration of management procedures for health & safety
- Improvement of chemical handling, storage and disposal
- Improvement of safety equipment and employees' awareness on correct usage

Kenya Bixa decided to initiate the process on an organisational level. A new health & safety department was established and an 'environment, health & safety' manual was developed, explaining standard operational procedures for all relevant activities. A health & safety committee was also established to raise awareness, and continually identify problems and create dialogue with the management team about solutions. Furthermore, a process of continual health & safety risk assessments and internal audits was established.

The new initiatives were followed up with procurement of the right personal protective equipment (PPE) for employees working with chemicals and in dusty environments. Employees were also trained on correct usage, storage and consequences of not using PPE. Additionally, fully stocked first aid kits and eye wash facilities were introduced.



Health & safety committee at Kenya Bixa

The SUSBIZ Programme inspired operational effectiveness and created a general mind-set in Kenya Bixa to think safety first. Through increasing CSR compliance, their ability to pass CSR audits has improved, thereby becoming a more relevant supplier for international companies

Key Achievements

- Significant scale-up of health & safety management
- Hazards and risks reduced considerably
- Optimisation of production flow
- Reduction in accidents reduced absentees. Workers health and well-being likewise significantly improved.
- Staff understands health & safety risks
- Enhanced management skills to operate more efficiently

Ergonomic improvements

One health & safety concern was that workers were carrying bixa bags weighing 80 Kg from off-loading from trucks through the store house. As a first step Kenya Bixa reduced the bag size to 50 kg and is currently working on a solution for further reduction. However, farmers were afraid that the reduced bag size would negatively affect their payment. Consequently, it was added to the farmer training that their payment would not be affected from the reduced size of bags.

Key Learnings and continuous improvements



Kenya Bixa had worked with CSR before, but mainly in relation to community activities and not connected to core business functions. Through participation in the SUSBIZ Programme, Kenya Bixa now thinks of business development in a whole new way, where Corporate Social Responsibility plays a key role.

Kenya Bixa now works with CSR as an integral part of the organisation, how they do business and how strategy is developed. CSR is well integrated into environment, human resource management, health & safety and supply chain management. Altogether this reflects a real change of mind-set. Rather than being an add-on to business as usual, CSR is now a way of linking care for people and environment, to running an efficient and strategic business unit, satisfying requirements from customers and stakeholders.

However, for Kenya Bixa CSR is not an end destination but about continual improvements. Future CSR plans will focus on how to generate electricity from the biogas plant, so the whole factory can run on waste from Norbixin production. And plans for a mechanical solution for loading bixa from trucks to the store house is being discussed, so heavy manual lifting can be further minimized.

“The steps we have taken will have long term commercial benefits. A sustainable supply chain effectively improves the route to market for our products. It has helped build engagement with farmers and increase understanding that the community can live with increasing productivity. We may not be able to quantify everything now, but in the future this will trickle down to increased harvesting of the crop.

In terms of overall operations, we have been able to implement some things that will lead to cost optimisation. These costs savings can be reversed to profits for the business, so there are huge commercial benefits to this”.

Noah Kakai
General Manager