

Shrimp Aquaculture – integrating social considerations

Unima/Aqualma

With revenues of €80 million and 4000 employees, UNIMA is the largest agro-food industry employer in Madagascar. The group comprises shrimp aquaculture (Aqualma), shrimp fishing, cashew nuts (Verama) and IT services. UNIMA Aqualma has 2300 employees. UNIMA sees involvement in the fight against poverty as essential for the company to be truly profitable, high-performing and sustainable.

Aqualma places great emphasis on the integration of social considerations into its business. It impacts positively its own employees through salary and benefits programmes. The company's operations required them to improve local infrastructure (roads, electricity, water). Furthermore Aqualma pursues projects in order to promote local development, with 1 per cent of annual revenues devoted to community development. Aqualma believes this is necessary for Aqualma to continue to be high performing and sustainable in the long term.

Social programmes include:

- Promotion of employee development
- Salary: Policy of paying above national minimum salary, with further performance bonuses
- Free rice: Provision of free rice to employees and their families
- Health Care: Provision of heavily subsidized health care to employees (and families) (1500 Ar each year). Aid prevention program
- Training: Focus on strong training programmes for employees
- Loans: Provision of loans/ social fund for employees for investing in their homes, or meet family needs

Provision of infrastructure

- Electricity: Priced at 1000Ar/KWh , provided by Electricité de Madagascar (EDM) and co-founded by Unima
- Water: Treated-water fountains - monthly charge of 200 Ar per adult to cover running costs.
- Access: Roads maintained , water transport available for Besalampy
- Communications: Television and radio aerial installed in Besalampy. Phone facilities are forecasted in the short term

Community development programs

- Health centre: 3 doctors, HIV awareness program, child/ mother nutrition, free emergency evacuation to Majunga
- School: Managed by Catholic Mission, 400 primary, 150 middle school pupils, paying 50,000 Ar per year except for 170 pupils for whom it is free (from the poorest households, as defined by the local authorities)
- Library: Available to public after 5pm and during school vacations
- Revenue enhancement: Villagers trained in vegetable-growing, some supply Aqualma; women's group funded for raffia artisan work
- "Opération Propriété": Programme to assure land titles for village inhabitants, motivating them to do improvements
- Police station: Installed in Besakoa and Besalampy
- Price-regulation of basic subsistence products: Aqualma provides free transport to/from town of Majunga for merchants of such products, which can therefore be provided at reasonable prices
- Construction of public market and abattoir Enables local farmers to trade produce, plus hygienic meat treatment

Some of key challenges that Aqualma is facing includes recruiting skilled workers, building sustainable relationships with the local community and ensuring the long-term sustainability of the community programs.

Aqualma has started to look at how to make the health centre independent. For example, looking for other development agencies to work with the centre, in providing future investments for required expansions.

One of the key lessons learnt to date is the importance of the engagement of the local community. As one of the fundamental axioms of UNIMA's operations, it believes it is not only right but also necessary to fully engage and support the local community. Local recruitment, building infrastructure, contributing to community development programs, purchasing from local suppliers – are all actions that help to ensure the mutual development of the community and the business. Another lesson is that investing in regions that are both isolated and underdeveloped is a difficult, painstaking and risky task; therefore, starting slowly, with feasibility studies and pilots before building up to full scale is essential to mitigate some of the risks. And finally, from early partnerships with International Financial Institutions, to recent partnerships with NGOs that run community development programmes and a partnership with EDM, UNIMA Aqualma has benefited from continuing to seek and work with partners that can help to further its mission.

The Unima group is writing a Sustainable Development policy which will include indicators, targets , will be independently audited and reported.