

fairtrade  
**ORIGINAL**



**ANNUAL REPORT**  
2023

# DISCOVER FAIRTRADE ORIGINAL



**GUATEMALA**

Coffee

Fedecocagua: Esperanza del Futuro & La Felicidad

2 Cooperatives, 97 Farmers, 1 Project/intervention

**NICARAGUA**

Coffee

Prodecoop

1 Cooperative, 326 Farmers, 1 Project/intervention

**COLOMBIA**

Coffee

Red Ecolsierra

1 Cooperative, 205 Farmers, 2 Project/interventions

**PERU**

Coffee

Cooparm

1 Cooperative, 96 Farmers, 2 Project/interventions

**CHILI**

Honey

Apicoop

1 Cooperative, 110 Farmers

**UGANDA**

Coffee

ACPCU: Nyeibingo & Kyangundu

2 Cooperatives, 1523 Farmers, 5 Project/interventions

**INDIA**

Rice

Nature Bio Foods

1 Cooperative, 1000 Farmers, 1 Project/intervention

**THAILAND**

Spice Pastes, Wok Sauces, Noodles, Canned Fruit, Jackfruit, Rice

Sisaket Fairtrade Farmer Group, Non Luang Muang Khai Community Enterprise (Phrae), Nakomphet Fairtrade Sugar Cane Group, Nam Om Agricultural Community Enterprise, MSF (Masoom Support Foundation), Fairtrade Khun Han Community Enterprise, Fairtrade Pineapple Growers' Group, Trat Fairtrade Pineapple Growers Group, Cataratas do Iguacu Alimentos Organicos, Phak Mai, OASIS, Pratithi

19 Cooperatives, 1311 Farmers, 24 Project/interventions

**SRI LANKA**

Coconut milk, Coconut Oil, Spice Pastes

SAFE Net, MOPA, SKPKPWSS, LFCFA, SSKSS, DMPEADS

6 Cooperatives, 842 Farmers, 21 Project/interventions

**INDONESIA**

Krupuk

Koperasi Agro Bumbu Qtha

1 Cooperative, 12 Farmers, 5 Project/interventions

**LEGENDA**

- Cooperatives
- Farmers
- Projects/interventions
- Product groups

**TOTAL**

25 Cooperatives, 5522 Farmers, 62 Project/interventions

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# I. PREFACE

We are pleased to present our 2023 annual report. This document reviews our efforts and accomplishments over the past 12 months. Let me take you through the highlights of our eventful year.

## MARKET DEVELOPMENTS

The current global landscape is uncertain. Ongoing wars highlight the delicate nature of peace that is often taken for granted. There are no certainties anymore, and this directly impacts the whole of society, us as individuals, and our economy. As a result of the high inflation rates in recent years (10% in 2022 and 3.8% in 2023 in the Netherlands), many people have significantly less money to spend. We have observed a reduced emphasis on sustainability in consumer purchasing decisions compared to previous years. This shift affected our revenue in 2022 and subsequently impacted our financial outcomes. Thankfully, we were able to recover from this in 2023. Building on this resilience, we have laid a strong groundwork for further growth in 2024.

## FOCUS ON GROWTH

Over the past year, amidst the prevailing challenges, our team has dedicated substantial effort to crafting a strategic plan for the next three years. For Fairtrade Original, now is the time to channel investments towards our brand, product spectrum, and market expansion in Germany. Our strategic focus is centred on growth, through which we can extend our support to more farmers and forge fresh partnerships with cooperatives.

## CRAVING FAIRTRADE ORIGINAL

As a brand, we will shift our focus on emphasizing the delicious taste of our Fairtrade Original range. While it's important to highlight our efforts towards ensuring a living income for farmers, at times, the exceptional flavours of our products do not get the attention they deserve. Our aim is to give due recognition to the delightful taste of our assortment, ranging from our entirely plant-based Thai curries and Indonesian spice pastes to coconut milk, basmati rice, and young jackfruit. Whether it's traditional recipes, quick meals, or fusion Fridays, each dish is crafted with creativity and infused with authentic flavours. We will highlight our products more prominently to trigger a craving for Fairtrade Original among food lovers in both the Netherlands and Germany.

## COOPERATE WITH FARMERS

We work together towards a living income for farmers by developing fair supply chains. In doing so, we help to combat poverty while empowering our trading partners to progress through fair trade practices. Our primary focus lies with the farmers and enabling them to carve out an independent position within the market. Throughout 2023, we initiated 62 different projects in conjunction with farmers. Our projects consistently strive to strengthen farmers' positions by addressing vital aspects such as sustainable production methods, yield enhancement, water management, and providing guidance for Fairtrade and/or organic certification. The looming climate crisis poses a severe threat to the sustenance of millions of small-scale farmers. Hence, a core objective of our projects is to boost farmers' resilience in mitigating the impacts of climate change.

In addition to the funds invested in these projects and the Fairtrade minimum price we paid for our raw materials cooperatives also received approximately €416,000 in Fairtrade premiums. This premium is utilized by the cooperatives to support economic initiatives, including soil improvement, productivity enhancements, and the development of social infrastructure.

## RABO FOUNDATION

A significant milestone in 2023 was the commencement of a comprehensive three-year project in conjunction with the Rabo Foundation. This initiative consists of an intensive training program for approximately 700 small-scale farms that have been impacted by worsening economic circumstances in Sri Lanka. The direct impact we achieve through this initiative is a prime example of what we are working towards as an organization, and it is a source of great pride for me.

## NEW RETAIL PARTNERS

In light of prevailing market dynamics and to facilitate widespread product distribution, we engaged in partnerships with supermarket chains that prioritize competitive pricing strategies. This approach has brought about a collaborative effort with the supermarket chain Lidl, known for its commitment to sustainability. This collaboration holds great promise: increased product exposure translates to enhanced revenue streams benefiting the farmers.

## FAIR COFFEE

A key moment in 2023 was the 50th anniversary celebration of our Fair Coffee. Back in 1973, Fairtrade Original founder Paul Meijs made the momentous decision to acquire 50,000 kilos of coffee from the farmers' cooperative Fedecocagua, with which we maintain a partnership to this day. Initially, Paul sold the coffee from the boot of his car.

While much has evolved since then, our core values remain unchanged. This juncture marks an essential time for reflection. It's truly inspiring to witness how one bold decision has catalysed a much larger movement, emphasizing the enduring dedication of Fairtrade Original to its mission. Observing the passionate commitment of our team members from the Netherlands and Germany to this cause instils a sense of optimism for the future. Thank you all for your unwavering dedication!

## USING BUSINESS FOR GOOD

Thankfully, Fairtrade values have gained widespread acceptance, and we are no longer solitary in this mission. The drive towards a responsible and sustainable society is steadily picking up momentum. Look at our fellow advocates, the other 'B-Corp' companies worldwide: over 5,000 organizations are leading the charge in sustainability and exemplifying 'Using business for good.' Collectively, we will make this sustainable transformation happen – because united, we can bring about change. This holds true for 2024 as well!

## Steven van Wijk

On behalf of the Fairtrade Original board of directors



# 2. BRAND IMPACT



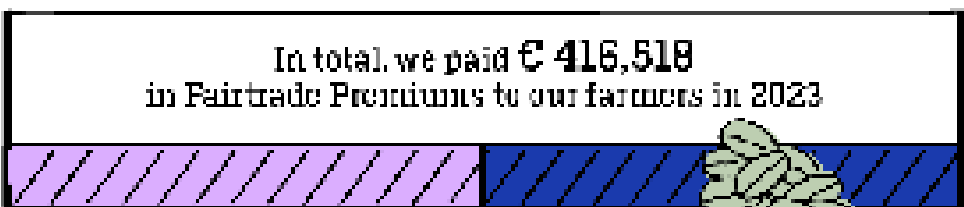
We work with with **5,522** fairtrade farmers



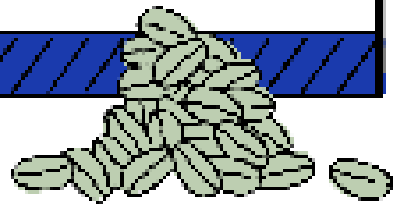
OP WEG NAAR EEN LEEFBAAR INKOMEN

2,247 coffee farmers receive a LRP or Fairtrade Minimum Price + FTO Impact Premium

we also partner with **22** cooperatives



In total, we paid **€ 416,518** in Fairtrade Premiums to our farmers in 2023



of which **€ 206,325** to coffee farmers alone



Our products are available in **4** countries



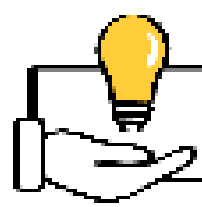
We sold **12,587,499** products

Best sold

of which **1,356,195** were 400ml cans of coconut milk

**1,356,195** cans of coconut milk

The cans were supplied by **800** coconut farmers from 4 cooperatives



This year, Fairtrade Original has invested in **62** interventions. For example:

|                                  |           |
|----------------------------------|-----------|
| living income projects:          | <b>20</b> |
| sustainable production projects: | <b>42</b> |

**1.** (Providing) assistance in achieving Fairtrade and Organic certification for new group of Thai rice farmers

**2.** Construction of a compost factory in Peru for affordable sustainable production resources

**3.** Productivity increase among Thai spice farmers through construction of greenhouses

**4.** Income differentiation for female coffee farmers in Uganda, through the cultivation of mushrooms

In addition to our own investment, we also raised **€ 130,574** in external funding to realize various projects and make more impact

**LEGEND**

|  |  |
|--|--|
| World Bank training and assistance to farmers and agribusiness | Project on sustainable production methods of organic fertiliser, mulch and compost |
| Cooperatives   | Income improvement programmes  |



# 3. A FOOD BRAND WITH A MISSION

## WE SEE

We envision a world where the gap between individuals narrows as culinary connections grow stronger. Authentic ingredients, recipes, and flavors from diverse cultures are becoming more available, enhancing our culinary experiences. However, we also observe a food industry marked by significant inequality, with big corporations controlling the market while small-scale farmers and producers face immense challenges. This imbalance leads to disadvantaged living conditions for farming families and a lack of focus on sustainability. That is not a world we want to live in.

## WE BELIEVE

Our mission is to create a world where everyone has access to a living income and promising opportunities for the future. We believe that addressing poverty and inequality is achievable through fair trade practices. Farmers, who are the originators of the diverse and delightful flavors we savor, deserve to earn a living income. This income not only serves as the cornerstone of a dignified life but is also recognized as a fundamental human right under Article 23 of the UN Declaration of Human Rights.

When farmers in producing countries have the resources, tools, and knowledge to enhance their operations and self-organize effectively, they can bolster their position in the supply chain and the global market. This empowerment enables them to build fulfilling lives and sustainable futures, while we continue to enjoy original, genuine tastes and products from around the globe.

## AND THAT IS WHY WE WANT (our mission)

Joining forces for a living income for farmers.

## WE ARE

Fairtrade Original is on a journey across the globe, sourcing authentic flavors to introduce to kitchens in the Netherlands and Germany. We ensure that the benefits are distributed equitably, ensuring that every link in the supply chain benefits. Since 1959, we have worked together with small-scale farmers and various partners to champion fair trade principles and craft genuine, fair, and original food items. Our operations extend across Latin America, Africa, and Asia.

## WE OFFER

We offer an array of incredibly delicious international flavours that will delight you, ranging from coffee to curry. To maintain the authentic taste of our products until they reach consumers, we prioritize growing and processing the ingredients in their respective countries of origin. Our emphasis lies on plant-based items, and we assess our environmental footprint during the processing, packaging, and transportation stages of our products.

## ORIGINAL SINCE 1959

More than six decades ago, Fairtrade Original pioneered fair trade practices with farmers in developing nations. Founder Paul Meij's guiding principle was: 'It is better to engage in fair trade than merely give people money.' In a bold move in 1973, he took steps to embody this philosophy by procuring 50 tons of 'fair' coffee without a confirmed buyer. Displaying true entrepreneurial flair, he sold the coffee to schools, churches, and various organizations from the boot of his car. This initiative marked the beginnings of the fair trade ideology.



Koffieboer Anneth en haar gezin, Oeganda

# 4. SUSTAINABLE BUSINESS PRACTICES

Millions of farming families and communities worldwide endure the repercussions of climate change and the decline in biodiversity on a day-to-day basis.

We advocate environmental sustainability as the standard. The rising severity, frequency, and intensity of climate-related incidents are affecting livelihoods all over the world, subjecting many individuals to harsh daily challenges. Elevated temperatures, droughts, floods, cyclones, hurricanes, crop diseases, soil degradation, and forest depletion all serve as tangible examples of the risks impacting food security and living conditions.

Environmental sustainability is crucial for the more than 500 million small-scale farming families who depend on agricultural activities for their livelihood. Often, the most vulnerable are the hardest hit. No one knows this better than Fairtrade farmers and producers, some of whom struggle to maintain sufficient levels of productivity.

## SOCIAL RELEVANCE

We are a 100% social enterprise as well as a 100% Fairtrade organisation. Our policies are anchored in the Fairtrade Standards and the guidelines established by Fairtrade International. These frameworks include economic, social, and environmental benchmarks that farmers and producers must adhere to in order to attain and uphold Fairtrade certification. The economic criteria concentrate on equitable trade conditions and fair pricing. Social criteria encompass issues such as democratic practices within cooperatives and measures to prevent child labour. Environmental criteria underscore sustainable practices, including responsible waste and water management, biodiversity conservation, soil fertility preservation, and responsible use of approved agricultural chemicals. According to Fairtrade International Standards, the use of hazardous substances and all genetically modified organisms (GMOs) is strictly prohibited.

Whenever feasible, we encourage organic farming practices. Certified organic production is not a strict requirement; it depends on what the market perspective is. However, farmers are rewarded with higher Fairtrade minimum prices for organically grown products.

## FAIRTRADE ORIGINAL IN THE CONTEXT OF SDGS

Through our key impact areas of Fair Trade, Sustainable Production, and (on the way to a) Living Income, we actively support the pursuit of the following Sustainable Development Goals (SDGs).



## OUR FOOTPRINT

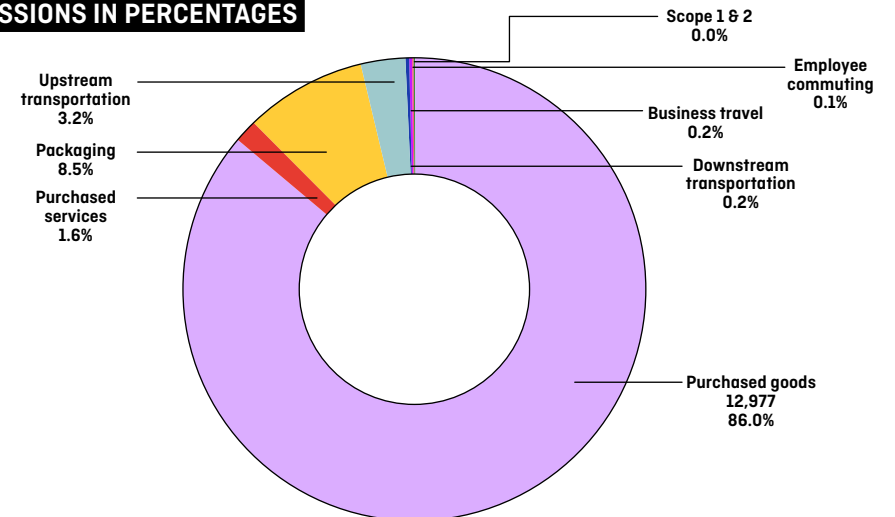
As a sustainable enterprise, our goal is to minimize our environmental impact. The first step towards this objective involves outlining the CO2 emissions connected to our activities. In 2023, a comprehensive examination of our CO2 emissions for 2022 was carried out. The process follows the guidelines of the Greenhouse Gas Protocol, the predominant CO2 calculation methodology for businesses worldwide.

The Greenhouse Gas Protocol categorizes emissions into three scopes depending on their source. This classification leads to the creation of what is known as a 'Greenhouse Gas Inventory.'

Scope 1 covers all emissions that stem directly from a company's operations, like employee commuting and business travel. Scope 2 includes the indirect emissions linked to purchased energy, such as electricity obtained from a provider, with emissions occurring during the electricity generation process. Scope 3 accounts for all remaining emissions resulting from company activities, like production, packaging, and product transportation.

The Fairtrade Original CO2 emissions amount to 15,077 tons. The specific breakdown can be found in the graph provided. With this baseline established, we will now focus on creating a plan to reduce our emissions. Together with our partners, we aim to develop an action plan in 2024 to work towards this goal.

## FAIRTRADE ORIGINAL 2022 EMISSIONS IN PERCENTAGES



## 5. FAIR TRADE

Our aim is to make a positive difference in the lives of the small-scale farmers we collaborate with by concentrating on the following three key impact areas:

Since the founding of Fairtrade Original, our commitment to equitable trade remains steadfast. Central to our approach is the cultivation of positive impacts, the nurturing of sustainable relationships, and the empowerment of local cooperatives. We firmly believe that through 'fair trade,' farmers can enhance their skills and secure an autonomous market presence. This is accomplished through partnerships with farmers and producers across various countries, joining forces and working together. Our objective is to lead the way and inspire others to join us in effecting change—not through aid, but through trade.

Fairtrade Original actively seeks out opportunities to introduce new items in the coffee and World Kitchen product categories, thereby laying the groundwork for a local supply chain. While farmers form the backbone of any supply chain, its establishment commences with a local manufacturer who is well-versed in Fairtrade principles and dedicated to their enforcement.

- Fair trade ←
- Sustainable production
- Living income

### Lokale fabrikanten

We strive to process and package the ingredients we obtain from farmers as close to the source as possible by working together with local manufacturers. This approach ensures that a significant portion of added value remains within the country of origin, preserving the genuine flavour of local products to the greatest extent possible. The distinctive 'original flavour' serves as a primary unique selling proposition (USP) for Fairtrade Original's World Kitchen range.

Working closely with manufacturers and local consultants, we engage with skilled farmers who can supply high-quality ingredients. In some cases, these farmers are already united in a cooperative. If this is not the case, we assist them in establishing one. The formation of a cooperative starts with a group of enterprising farmers who are enthusiastic about pioneering new initiatives and leveraging their local connections to inspire other farmers to join.

### Strength in numbers

In addition to coordinating its members and establishing the operational framework, setting up a cooperative involves formal registration procedures. After the initial phase, cooperatives are expected to function autonomously and proficiently. Fairtrade Original offers assistance through training programs that emphasize agricultural practices and the attainment of Fairtrade certification.

By working together within a cooperative is essential for enhancing the position of the farmers in the supply chain. By working together, they wield significant strength. The cooperative serves as a hub for sharing knowledge, conducting training sessions, and pooling resources for collective investments.

'Fairtrade' embodies equitable pricing, decent working conditions, local sustainability, and fair terms of trade for farmers. Products carrying the Fairtrade certification adhere to a Fairtrade Minimum Price and/or a Fairtrade Premium. Farmers with Fairtrade certification can utilize this premium to invest in sustainable farming practices and community development, including initiatives like education and healthcare access. The decision on where to invest the premium lies with the farmers themselves.

### Income for impact

The survival of local supply chains depends on the existence of viable markets for their goods. Fairtrade Original prioritizes sales and marketing strategies aimed at supporting this objective. Our product line is Fairtrade-certified and, in certain instances, also certified organic. The increasing recognition of the value of fair and sustainable products by retail chains as well as consumers significantly aids the sale of our range, and thus, the advancement of our mission. Working together is vital in our pursuit of a fairer world.

The increase in sales directly influences the impact we generate for our farmers. By broadening our product range, entering new markets, and promoting our partners and products, we endeavour to expand our reach and effect positive change.



Fairtrade Pineapple Growers Group, Thailand



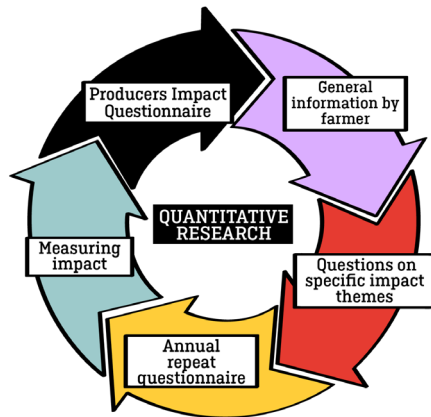
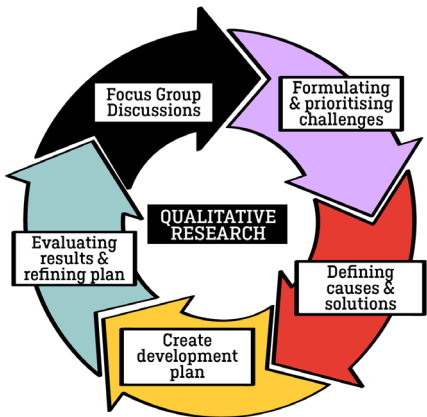
### IMPACT METHODOLOGY

Fairtrade Original is committed to understanding the impact of all projects undertaken in support of farmers. While it's straightforward to gauge the resources invested (such as training, funding, and agricultural practices), assessing the resultant effects—like enhanced living conditions—is considerably more challenging.

In 2023, a practical method was devised to measure impact systematically. This approach involves a blend of qualitative and quantitative research techniques. For instance, we conduct annual Focus Group Discussions to deliberate on potential strategies for elevating farmers' quality of life.

Through these sessions with farming representatives, we gather qualitative insights regarding the progress of our initiatives. Current challenges are explored, issues are prioritized, potential root causes are identified, and collaborative solutions are brainstormed.

Furthermore, we conduct Producer Impact Questionnaires as a quantitative research instrument. To meticulously track the effects of the initiatives we've implemented, we utilize a standardized questionnaire to assess the advancement of each farmer over several years.





## IMPACT STORY

### YES TO FAIR SOY

In May, amid the rainfall, the rice fields are saturated—a favourable condition for Thai farmers to begin planting rice, which they can harvest after five or six months. However, a challenge arises after the November harvest, as the next rice sowing season is not until June. The innovative solution to effectively manage this interim period sprouted from organic seeds. Specifically, soybean seeds, leading to the production of our organic Fairtrade Original soy sauce. Rice farmers of the Thai cooperative Organic Fairtrade Sisaket Community Enterprise decided to incorporate soybeans as a secondary crop, to be cultivated in the period following the rice harvest. In response to the escalating demand for soy, they took strategic measures in 2023 to bolster their soybean production.

#### Twice as much

Altogether, twenty farmers from the Organic Fairtrade Sisaket Community Enterprise have invested in an irrigation system to boost their soy production. Half of the investment constitutes a loan from Fairtrade Original, while the remaining portion is contributed by the farmers themselves. One of the first young farmers to believe in this initiative was Khun Ankana. She is on good terms with her older, and very experienced, neighbour Khun Yuan who already has an irrigation system in place. Witnessing the benefits firsthand, the enterprising Khun Ankana decided to follow suit and invest in her own irrigation system.

This investment was made possible through a loan from Fairtrade Original. Khun Ankana isn't the only one convinced of the merits of an irrigation system. Other farmers from the Organic Fairtrade Sisaket Community Enterprise also took the plunge. By pooling resources for the procurement of materials, they experienced advantages in terms of both expenses and logistics.

The introduction of the irrigation system is anticipated to potentially double the yield of their organic soybeans. The installation of these irrigation systems took place in the latter part of 2023. Organic seeds were planted in December 2023 for the upcoming harvest season. The initial outcomes of the irrigation system are expected to become evident in the year 2024.

#### Focus

Furthermore, it is crucial to prioritize the complete production cycle, focusing on acquiring organically certified seeds and ensuring thorough soil preparation. Fairtrade Original provided assistance and guidance to the cooperative in this aspect last year through a Focus Group Discussion, which included the participation of two local consultants: Manasnan, who specializes in Fairtrade practices, and Parichat, who has expertise in organic agricultural techniques.

#### Future-proof supply

In 2023, in addition to the farmers who invested in irrigation systems to meet the growing demand for soy, we also explored opportunities for expanding soy production in Thailand in collaboration with the manufacturer. The quest for additional cooperatives involved in cultivating organic soybeans led us to the Nan region in northern Thailand. The planned expansion with new cooperatives is slated for further development in 2024. This represents a significant milestone, considering a substantial portion of our current soybean supply originates from India. By procuring soybeans from Thailand, we shorten the supply chain and enhance transparency. Additionally, this process contributes to minimizing our environmental impact, as transportation distances are notably reduced.

## IMPACT STORY

### COLOURFUL SUCCESSES FROM SRI LANKA

The spice factory in Dambulla, Sri Lanka, is a buzz with activity as workers prepare spice mixes with chilli, ginger, turmeric, lemongrass and other fragrant spices. Overseeing operations at the factory is a youthful and innovative team of experts. The seamless partnership between the team at the spice factory and the Fairtrade Original Product Manager resulted in the incorporation of four new spice pastes into our lineup in 2023.

During the Back to the roots campaign, we launched four new plant-based spice pastes: Sajoer Beans, Nasi Goreng, Bami Goreng, and Rendang. The team in Dambulla already produces our Sri Lankan and Indian spice pastes, and has now added the Indonesian range to this colourful array of flavours.

#### Indonesian vibes in Sri Lanka

One might wonder why we manufacture Indonesian spice pastes at a Sri Lankan spice factory—and that is a valid inquiry. Our initial attempt to produce the spice pastes in Indonesia faced a number of challenges, despite the enthusiasm and preparedness of the supplier and farmers. Regrettably, certain ingredients failed to meet European standards, rendering us unable to introduce the spice pastes to markets in the Netherlands and Germany. This was a disheartening turn of events for all parties involved, especially given the steadfast commitment of the farmers. Naturally, we continue to support and assist the farmers in their pursuit and upkeep of Fairtrade certification.

Driven by the popularity of Indonesian cuisine, we remained committed to being the first brand to offer sustainable products from this culinary tradition.

In 2023, we launched four Indonesian products to the market—albeit originating from an alternative location. The recipes were created by experts acquainted with the intricate taste profiles of Indonesian food, namely our Product Manager and the team in Dambulla. Producing our Indonesian spice pastes in Sri Lanka allows the current Fairtrade farmers in Sri Lanka to furnish a greater supply of herbs and spices, leading to enhanced earnings and, in turn, a more significant impact.

#### Unwelcome visitors

On the one hand, these delicious new spice pastes are providing additional employment and income for the spice farmers. On the other, the cultivation of the ingredients for the spice pastes proved challenging at times. Farmers from SAFENet experienced crop damage by wild animals like deer and wild boars. These animals are prevalent in the forested region of Matale in central Sri Lanka, where many farmers practice mixed cropping. The issues were brought to light during a Focus Group Discussion in 2023, where the farmers frequently highlighted their concern.

Once the cause of the crop damage was identified, we collaborated with the cooperative on a solution: the installation of fences. The annual repetition of the Focus Group Discussion enables us to track advancements and implement any required modifications.

#### More spices, more income

To encourage income diversity, efforts are underway to expand the range of Fairtrade-certified herbs and spices. Farmers have incorporated additional spices such as turmeric, ginger, and shallots into their crops. These will be ready for harvesting in 2024.

#### Rabo Foundation supports Sri Lankan farmers

SAFENet is one of the six cooperatives participating in a support programme in Sri Lanka that is run in collaboration with the Rabo Foundation. From mid-2023 onward, Fairtrade Original and the Rabo Foundation are concentrating on empowering coconut and spice farmers and enhancing their market positioning.

The challenges Sri Lanka has faced in recent years, including the COVID-19 pandemic and the economic crisis, have hindered the training programme for farmers. Despite these obstacles, we are committed to continuing our long-term partnership in the five supply chains (coconut and spices) at all costs. Therefore, in collaboration with the Rabo Foundation, we prioritized support to cooperatives through training in Fairtrade standards, governance, and sustainable production over a three-year period, starting in 2023.

#### Good governance

With a target audience of 700 small-scale farmers, including many women, the aim is to establish robust, sustainable supply chains. Effective governance within small farmer groups is crucial to ensure compliance with Fairtrade certification. Key examples of governance strategies on sustainable production are the stimulation of coconut tree replanting and the promotion of sustainable agricultural activities.



## 6. SUSTAINABLE PRODUCTION

Our aim is to make a positive difference in the lives of the small-scale farmers we collaborate with by concentrating on the following three key impact areas:

- Fair trade
- **Sustainable production** ←
- Living income

Aside from the social standards, Fairtrade certification enforces stringent regulations concerning environmental practices. This aspect is vital in light of climate change and the difficulties encountered by at-risk farmers. The certification incorporates essential guidelines for adopting sustainable production techniques, encompassing areas like water conservation, biodiversity preservation, energy efficiency, and pesticide management. In addition, farmers undertake dedicated initiatives addressing climate change concerns. Fairtrade principles and sustainable production practices are intricately intertwined.

### From training to Fairtrade and EU Organic certification

Fairtrade Original proudly displays the (Fairtrade International) Fairtrade mark on all its products. Each entity involved in the supply chain, from the cooperative to the manufacturer to us as a food brand, must hold and uphold Fairtrade certification. Maintenance of this certification over time is also a requirement. Through regular test-inspections, we verify that the cooperatives adhere to Fairtrade standards. This method is effective in pinpointing areas where information may be lacking, such as mandatory documentation. During official inspections, objective evidence is essential. For instance, if a training session on enhancing soil fertility has taken place, it must be substantiated with the relevant documentation.

Apart from test inspections, cooperatives benefit from guidance, education, and training provided by local consultants engaged by Fairtrade Original. Numerous cooperatives find this assistance invaluable, considering the periodic updates to the Fairtrade Standard for Small-scale Producers Organizations (SPO) and the need to fulfil new prerequisites. Training sessions aimed at enhancing crop quality and fostering sustainable practices not only help farmers but also contribute to the continual improvement of Fairtrade products. This same methodology is applied when setting up new supply chains. Our local consultants offer extensive assistance to cooperatives in their preparation for Fairtrade certification.

### Organic farming practices

The environmental section in the Fairtrade International standards is very comprehensive and encourages farmers to cultivate their crops with eco-conscious practices. Some of the farmers also hold organic certification, which demands strict compliance with the criteria associated with the EU Organic label. Organic products are grown without the use of synthetic fertilizers, chemical pesticides and genetically modified organisms. Documenting production processes is crucial, as this documentation undergoes rigorous examination during the annual assessment. A dedicated team administers an Internal Control System for this purpose, with Fairtrade Original extending assistance in acquiring and upholding organic certification where necessary.

In addition to substantial environmental advantages, farmers also benefit from elevated prices for their yields.

### On-site training and investing in sustainable projects

The small-scale farmers we work with face direct consequences from rising temperatures, droughts, floods, soil degradation, and diminishing biodiversity. In response, we champion environmentally conscious advancements, involving collaborative investments and proactive measures to tackle the impacts of climate change. Practices such as regenerative agriculture, energy-efficient production techniques, advocacy for organic farming, and the preservation of natural resources and biodiversity exemplify the initiatives we endorse. By transitioning their agricultural methods to sustainable practices, farmers fortify their resilience against climate change and global market fluctuations. Especially within cooperative settings, farmers benefit from mutual knowledge exchange. Many Fairtrade farmers highlight the sharing of insights and experiences within a cooperative structure as a significant advantage of the Fairtrade system.



Koffieboeren Juan José López Mesía en María Elsa López Ahijado, Peru

## IMPACT STORY

### FERTILE SOIL IN PERU

Our collaboration with the Cooparm cooperative, located in the green mountains of Rodriguez de Mendoza, Las Amazonas, in Peru, began in 2021. We purchase coffee from 96 of the 487 dedicated Cooparm coffee farmers. In 2023, we worked with the farmers on two projects related to compost production and reforestation.

#### The fragrant source of growth

While compost might not always have a pleasant smell, its role in enhancing soil quality within organic agriculture is indispensable. To launch the compost initiative, Fairtrade Original enlisted the expertise of a local consultant to instruct 50 Cooparm farmers in the techniques of composting. Furthermore, a composting facility was set up, and the initial 10,000 kilograms of raw materials for organic compost were procured.

#### Smart saving with compost

With the operational production facility and the procurement of initial raw materials, farmers are now equipped to generate their own compost. The advantages of locally produced compost are twofold: firstly, it boosts crop yields by enhancing soil fertility, and secondly, it reduces costs. Since farmers no longer need to buy compost, their expenses diminish by roughly 50%. Alongside the efforts on soil enhancement through composting, another crucial aspect addressed was reforestation. This project was launched in 2023 following the collection of €14,000 by the Dutch supermarket chain COOP during the 'Fairtrade week' in the autumn of 2022.

#### Planting additional income

In efforts to revive the soil and ecosystem vitality, regions were reforested with both indigenous and non-native tree and shrub species. The initiative aims to bolster understanding and elevate farmers' awareness of the significance of biodiversity in coffee cultivation. The newly planted trees will play a role in soil revitalization and water preservation, while also offering opportunities for additional earnings through the commercialization of fruits and other produce. As a result, reforestation becomes a continuous practice integrated into farming activities, yielding financial benefits for the farmers and ecological gains for the environment.

#### Sturdy saplings

In Peru, as in other regions worldwide, farmers are facing the repercussions of climate change, leading to increased susceptibility of certain coffee plant varieties to diseases and pests. Consequently, investments have been directed towards cultivating new varieties that exhibit greater resilience to climatic conditions. Planting of these robust bushes, with the potential to yield berries for up to 30 years with appropriate upkeep, commenced in 2023. Conventional coffee plants tend to experience diminished berry production after approximately 15 years. By diligently nurturing the new plants, employing skilled pruning techniques, and engaging in reforestation efforts, farmers can anticipate more consistent and stable yields.

IMPACT STORY

IT'S ALL ABOUT THE SPICE

The impact Fairtrade Original makes is closely linked to the consumer market. Increased sales directly translate to greater benefits for the farmers and more substantial advancements in their development. In recent years, there has been a notable surge in the demand for our Thai curry spice pastes and sauces. By 2023, a total of 100 small-scale farmers from the northern and northeastern regions of Thailand were cultivating the essential ingredients required for our products—such as chilli peppers, lemongrass, shallots, garlic, galangal, ginger, turmeric, and limes.

Brimming with chillies

The focal point of all our projects is sustainable production, emphasizing the importance of environmentally conscious practices across our product range. A specific venture involves overseeing the establishment of greenhouses dedicated to chilli pepper cultivation. The primary objective is to safeguard and enhance production levels by shielding the plants from crop-destroying pests. Furthermore, the greenhouses serve to protect the chillies from harsh weather conditions, enabling farmers to create an optimal microclimate conducive to plant growth. This not only extends the harvesting period, but may even allow for a second harvest, fostering additional income opportunities for the farmers. Farmers opting to install a greenhouse covered half of the expenses themselves, benefiting from optional financial assistance in the form of a Fairtrade Original loan if necessary. The remaining funding was secured through external financing from the Wereldwinkels (Fairtrade shops).

Sharing knowledge

In Thailand, the Fairtrade Premium was effectively utilized for conducting training sessions focused on educating farmers about sustainable production techniques. Within the Sisaket Fairtrade Farmer Group cooperative, as well as the Phrae group, farmers have abundant avenues for exchanging knowledge. One of the subjects addressed included the vital aspect of water management in the cultivation of chilli peppers. Additionally, field workers from the factory where our spice pastes are produced provided the farmers with useful information.

Impact assessment in Thailand

Fairtrade Original is committed to understanding the impact of all projects undertaken in support of farmers. While it's straightforward to gauge the resources invested (such as training, funding, and agricultural practices), assessing the resultant effects—like enhanced living conditions—is considerably more challenging.

To accurately quantify the impact, Fairtrade Original organized a Focus Group Discussion in northeastern Thailand in 2023. Furthermore, a baseline survey was conducted to assess the impact over time. To track the effects of the implemented development initiatives, the impact questionnaire is administered in Thailand on a regular basis.

Preparation is half the battle

Fairtrade Original assisted both cooperatives in preparing for the annual Fairtrade certification inspection by conducting a test-inspection, which aided in pinpointing areas requiring enhancement. A similar process was undertaken for soybean farmers in the northeast whose operations are certified organic.



Sisaket Fairtrade Farmer Group Thailand

FEMALE ENTREPRENEURS AS WELL AS GOOD FRIENDS

In Khe-lek, Northern Thailand, a group of six enterprising friends, among them Khun Napapat, recently joined the Sisaket Fairtrade Farmer Group. Their acquaintance Artit, who is Khun Napapat's neighbour, introduced them to the concepts of Fairtrade and organic certification. Artit proudly showed his remarkable chilli peppers, including the ones grown in the greenhouse, and discussed the advantages of obtaining Fairtrade certification. He emphasized that farmers are guaranteed a fair and steady price year-round. Inspired by this, all six friends now cultivate Fairtrade and organically certified chilli peppers.

Artit proudly shares the secret for his chillies: "Nutrient-rich soil, utilizing hemp and mung beans as green manure, and meticulous plowing during the pre-cultivation process." Khun Napapat was convinced and took the plunge to build her own greenhouse in 2023. She is hoping for a bountiful harvest of vibrant red chilli peppers.

IMPACT AREA

# 7. LIVING INCOME

Our aim is to make a positive difference in the lives of the small-scale farmers we collaborate with by concentrating on the following three key impact areas:

- Fair trade
- Sustainable production
- **Living income** ←

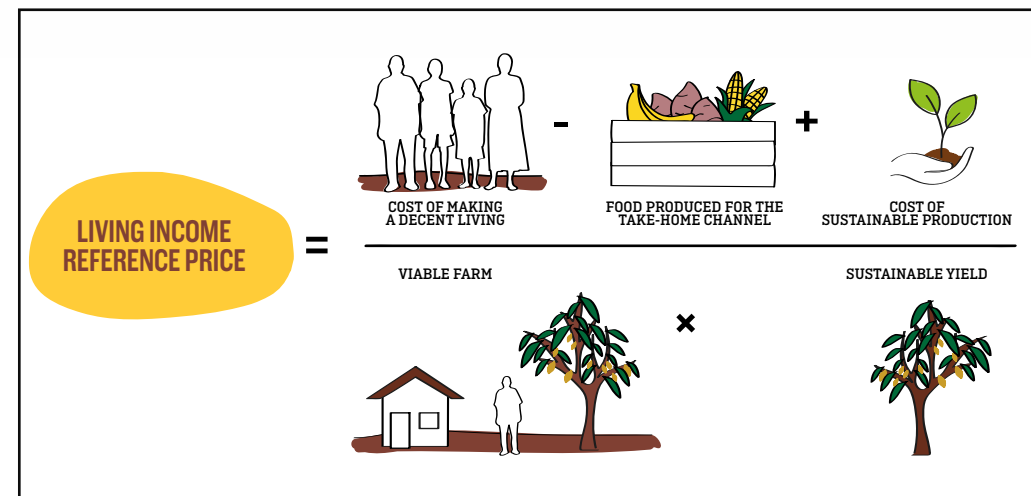
For products bearing Fairtrade certification, farmers are entitled to a Fairtrade Minimum Price in addition to a Fairtrade Premium. The Fairtrade Minimum Price guidelines serve as an initial stride towards ensuring farmers receive a just income. Nonetheless, this price is insufficient to ensure a living income for farmers. Since 2021, we have been implementing the Fairtrade International concept of a Living Income Reference Price (LIRP). Starting with coffee, we will implement this price in projects where the LIRP calculations have been finalized and the market is capable of absorbing the costs. This initiative aims to narrow the disparity between the global coffee price and the Living Income Reference Price. In 2023, we began the assessment of the LIRP for coconut farmers.

**The definition of Living Income**

A living income enables farming families to achieve a decent standard of living, including basic needs such as food, housing, education, healthcare, and clothing. Their income should also allow for savings and investments in sustainable production. Attaining a living income requires structural changes.

When establishing the Living Income Reference Price, considerations encompass elements such as productivity, farm dimensions, and diverse sources of income and expenses. These elements differ across regions and are intertwined with the economic, social, and ecological context of a nation. Hence, Fairtrade International determines the LIRP independently for each product in every distinct region. The LIRP has been set for coffee and cocoa in a majority of regions. Moving forward, the LIRP is progressively calculated and integrated across additional countries and product categories.

The concept of a living income is crucial, given the unfortunate persistence of poverty among numerous farmers in Africa, Asia, and Latin America. Many farmers do not receive fair compensation for their goods. However, with an increasing number of brands transitioning towards the Living Income Reference Price, we have the opportunity to break free from this cycle of poverty. The current scenario is not set in stone and can be altered! This motivates our wholehearted commitment to our mission: working together towards a living income for farmers.



In practical terms, this means that, beyond all initiatives enhancing farmers' well-being, we strive to adhere to the LIRP whenever feasible. One prerequisite is that the LIRP has been established by Fairtrade International for the specific crop, and consumer demand for the product remains steady.

Elevated buying costs result in increased prices for consumers, and it is imperative that this does not have an adverse impact on product sales. Reduced consumer demand fuelled by higher sales prices would hinder our objective, as ultimately, farmers would not reap the rewards.

IMPACT STORY

A COCONUTTY LINK BETWEEN PRODUCTIVITY AND LIVING INCOME

The small-scale coconut farms in Sri Lanka feature a diverse array of vegetation. Picture a blend of various trees and exotic crops like cinnamon and pineapples intermingling with the coconut palms. The farms of our Sri Lankan coconut farmers are teeming with biodiversity, which not only benefits the land but also their finances, as the additional plants and shrubs offer supplementary income sources.

The generous yield of coconuts and spices cements Sri Lanka as a pivotal component of our Asian World Kitchen product line. We collaborate with over 700 farmers and six cooperatives spanning four chains for coconut milk, one for coconut oil, and one for spice pastes. In 2022, amid the upheaval caused by the COVID-19 outbreak, Sri Lanka faced profound economic and political turmoil. However, the country gradually initiated its recovery from these consecutive crises starting in 2023, and we remain steadfast in offering support to our farmers across various regions to the best of our abilities.

Additional support

The coconut cooperatives expressed a need for assistance across multiple domains. We conducted Focus Group Discussions involving all cooperatives to pinpoint the concerns and obstacles encountered. In mid-2023, we launched a collaborative three-year initiative, in conjunction with the Rabo Foundation, to aid the cooperatives across the various coconut supply chains, as well as individual members.



Complex natural habitats

Low productivity is a major issue among all coconut farmers. The presence of wildlife adds a layer of complexity to this issue. For instance, potentially influenced by the establishment of a port and an airport that encroach upon their natural habitat, monkeys tend to migrate to areas where coconut farmers ply their trade. The animals cause massive damage to the young coconuts, which inhibits maturation of this important source of coconut milk and coconut oil. A local consultant will examine animal-friendly options to deter the monkeys from doing further damage in 2024.

Extra spicy income

In addition to solutions for increasing productivity, efforts have also been made to explore additional sources of income for coconut farmers lacking such alternatives. These additions include intercropping with spices such as cinnamon or turmeric, as well as producing compost for personal use and sales purposes. Baseline assessments have been conducted across all cooperatives to monitor interventions and evaluate their long-term effectiveness.



Kokosboer Mr. Samaranyake, Sri Lanka



## IMPACT STORY

### NOT AN AIRY LATTE, BUT A TRANSPARENT COFFEE

The ultimate goal of our Towards a Living Income-coffee, is to foster a promising future for coffee farmers. In order to determine the actual impact of our initiatives and substantiate it to coffee consumers, we commissioned Fairfood to conduct a year-long independent research project on our Ugandan coffee supply chain in 2022/2023. Throughout this investigation, Fairfood engaged with 1,283 families to assess the extent of our impact. This pilot project has made the outcomes of our efforts in Uganda accessible to all, via Fairfood's online platform, Trace.

#### The whole story

Trace maps all the links in the chain, from the coffee farmer to the cup of coffee that is eventually brewed at home. Components such as traceability (knowing where the coffee comes from, ergo transparency), insights into that journey, and supporting evidence (demonstrating that our brand promises are accurate), can be found in the platform. This way, pricing as well as project information have been made transparent during the pilot. To verify the payment of the Living Income Reference Price, Fairfood digitized hundreds of payment receipts from throughout the chain, as our partner, coffee cooperative ACPCU, still kept handwritten records. This project has been a crucial stepping stone towards digitization.

#### Projects in the Pearl of Africa

In collaboration with ACPCU and MVO Nederland we undertook various projects in the lush rolling landscape of Uganda in 2023. These projects were made possible with funding from the Responsible Entrepreneurship Fund (FVO) of the Netherlands Enterprise Agency (RVO) and will continue in the following years.

Two of these projects can be found on the Trace platform. There is, for instance, information on a project focused on organic production inputs, where farmers receive training in sustainable soil management and get access to organic methods of control of crop pests and diseases. Data is also available on the investment in resilient coffee plants that are more resistant to climate change.

#### Openness and transparency

The purpose of the Trace platform is to demonstrate how we are working towards a living income for coffee farmers. By providing insight, we seek to further engage retailers and consumers in the coffee chain, as well as address any uncertainties that may arise.

This pilot initiative marked our initial move towards transparency. Trace delivered vital insights into the cascading impact of coffee prices, offering us valuable direction in refining our strategies by pinpointing the precise areas for adjustment. Moreover, the project was an important step towards digitalization within the coffee cooperative ACPCU and among its farmer members, resulting in improved work efficiency and greater insight. This favourable outcome has paved the way for a digitalization roadmap in the forthcoming years, along with a funding application to support this advancement.



#### COFFEE CULTURE IN UGANDA

Passionate coffee lovers may dream of producing their own coffee, all the way from crop to cup. However, this dream is not common among Ugandans. Despite being a prominent coffee-producing nation on a global scale, coffee consumption among its residents is notably low. While coffee farmers may enjoy an occasional cup of coffee, the majority of Ugandan coffee beans are destined for consumption in other parts of the world.

### COFFEE COOPERATIVES ON THE WAY TO A LIVING INCOME

Over the past two years, we have collaborated with five coffee cooperatives to progress towards a living income. The significant advancements achieved by each cooperative in South America and Africa are detailed below. Our coffee supply chains are 100% traceable and transparent.

- La Red Ecolsierra, Colombia
- Cooparm, Peru
- Fedecocagua, Guatemala
- Prodecoop, Nicaragua
- ACPCU, Uganda

**On the way to a living income**  
In 2022, Fairtrade International introduced the Living Income Reference Price for coffee in Colombia, Indonesia, Honduras, and Uganda. By the end of 2023, Peru and Nicaragua were also added to this group. Until the LIRP is established for Guatemala as well, an indicative reference price will be determined and paid out in consultation with the coffee cooperatives.

### A TOUR OF THE COFFEE FIELDS:

#### LA RED ECOSIERRA, COLOMBIA

**Location:** Sierra Nevada de Sante Marta

**Suppliers:** 485 small-scale farmers, of which 205 supply Fairtrade Original coffee.

**Mission:** Sustainable restoration of local communities and the ecosystem of the Sierra Nevada de Santa Marta natural park.

**Impact 2023:** This year was dedicated to the initiation of the tourism project Macana as an additional source of income for coffee farmers. This project involves creating a tourist route that passes by various coffee farmers within the communities of La Red Ecolsierra. The aim is to promote interaction between tourists and the coffee farmers, to teach visitors about coffee production, local culture, and the natural environment. Furthermore, the cocoa project initiated in 2021 is progressing and has been expanded to involve more farmers.

#### COOPARM, PERU

**Location:** San Nicolas district in the highlands of Peru

**Suppliers:** 487 small-scale farmer members, of which 96 supply Fairtrade Original coffee

**Mission:** To sustainably cultivate high-quality coffee in harmony with nature.

**Impact 2023:** In 2023, a compost production site was established, as compost plays a vital role in soil improvement for organic farming. Additionally, we invested in the initial raw materials for the production of organic compost, and we facilitated training for fifty farmers on composting. Lastly, we supported a project where farmers received new climate-resistant plants.

#### FEDECOCAGUA, GUATEMALA

**Location:** High in the mountains, in the area surrounding Huehuetenango, El Quiché, and San Marcos.

**Suppliers:** 97 farmers, divided among two cooperatives that are part of the Fedecocagua federation, with 148 affiliated coffee cooperatives and 20,000 members.

**Mission:** To enable farmers to form strong communities, focusing on biodiversity and crop diversification.

**Impact 2023:** Investments have been made in Guatemala in new coffee plants to renew the crops and make them more climate-resistant. Due to global warming, some older coffee plants and varieties are more susceptible to diseases like 'rust'. The new coffee plants are more resilient to these challenges.

#### PRODECOOP, NICARAGUA

**Location:** Estelí, northwest of Nicaragua.

**Suppliers:** 326 farmers. Prodecoop is a collaboration of 38 cooperatives with 10,000 members.

**Mission:** To establish long-term (business) relationships and provide equal opportunities for men and women.

**Impact 2023:** In 2023, soil improvement initiatives were implemented for 32 farmers in partnership with Prodecoop. The training on compost application that farmers received, resulted in lower production costs. Additionally, recycling organic waste from the farm and household increased the yield per plant. Due to the improved soil conditions, the coffee plants now yield more berries and are more resilient, leading to a longer productive lifespan.

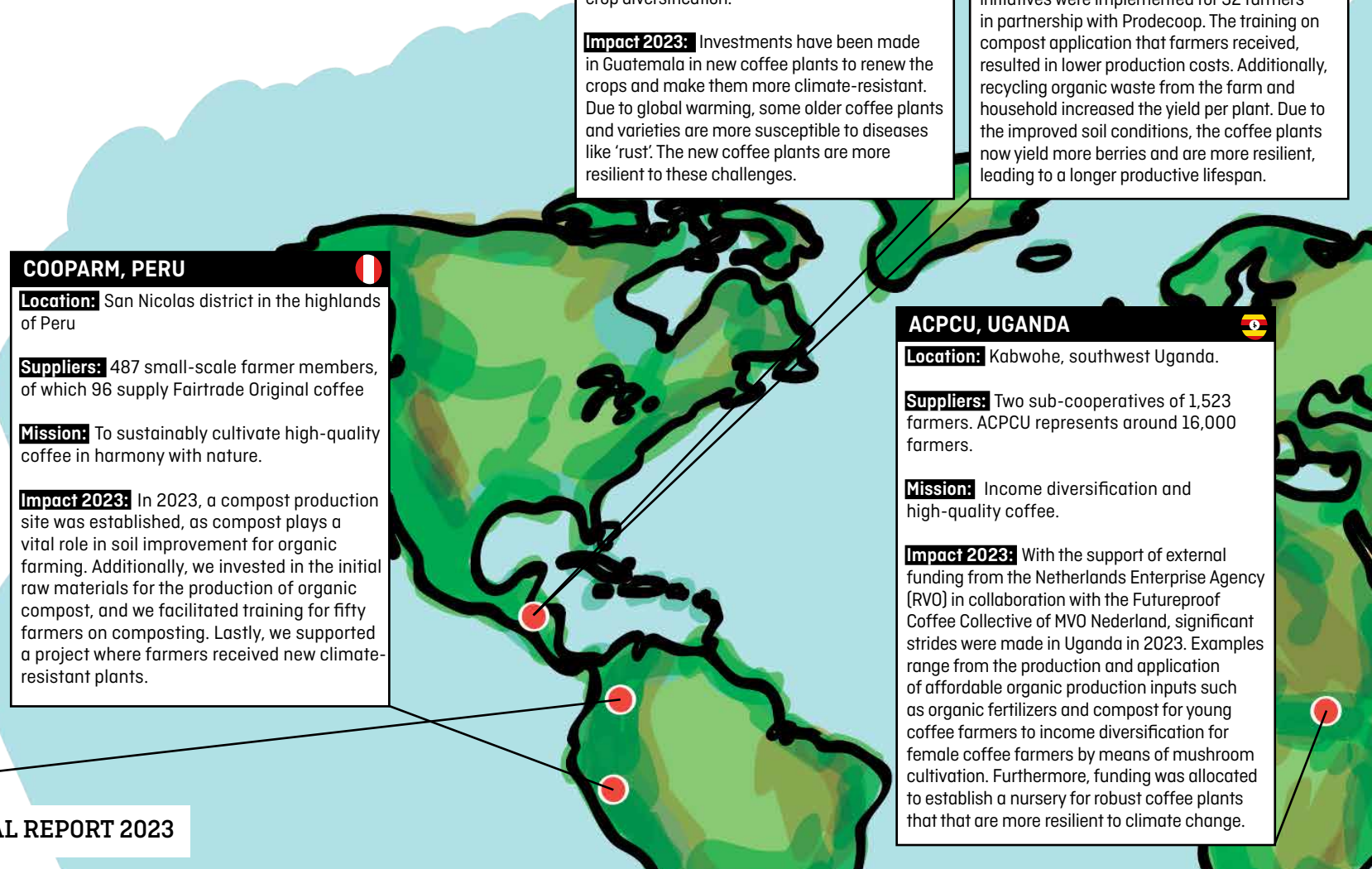
#### ACPCU, UGANDA

**Location:** Kabwohe, southwest Uganda.

**Suppliers:** Two sub-cooperatives of 1,523 farmers. ACPCU represents around 16,000 farmers.

**Mission:** Income diversification and high-quality coffee.

**Impact 2023:** With the support of external funding from the Netherlands Enterprise Agency (RVO) in collaboration with the Futureproof Coffee Collective of MVO Nederland, significant strides were made in Uganda in 2023. Examples range from the production and application of affordable organic production inputs such as organic fertilizers and compost for young coffee farmers to income diversification for female coffee farmers by means of mushroom cultivation. Furthermore, funding was allocated to establish a nursery for robust coffee plants that that are more resilient to climate change.



## 8. FOOD FOR IMPACT

### PRODUCT LAUNCHES AND CAMPAIGNS

#### Selemat makan with four new spice pastes

There are no hidden surprises in these fair and plant-based spice pastes. In March 2023, we introduced an Indonesian product range with traditional Dutch favourites from Indonesia: Nasi Goreng, Bami Goreng, Rendang, and Sajoer beans. The introduction was colourfully underscored with the Back to the roots-campaign created in collaboration with artist Nick Liefhebber.

#### Organic Rice Vermicelli

Oriental soups, crunchy spring rolls, or comforting vermicelli bowls, this adaptable staple caters to all culinary preferences! Our organic Rice Vermicelli made its debut on supermarket shelves in June 2023. This development spells positive news for rice farmers, who are now benefiting from fair prices for their rice along with a premium that can fuel projects aimed at fostering a sustainable future. Thanks to the success of our rice noodle range, we are looking to establish partnerships with more cooperatives.

#### Bittersweet goodbye

Some good things must come to an end. This is also the case for our Honey (both creamed and in squeeze bottles), Extra Dark Roast coffee beans, Chocolate spread, and Peanut butter. Despite being breakfast favourites, these products did not see enough demand at the table, resulting in the discontinuation of their production.



### LET THEM HEAR

#### Stand up for Fair Coffee

For five decades, we have dedicated ourselves to enhancing the livelihoods of coffee farmers, yet they are still insufficiently compensated for their products. Hence, in 2023, we initiated the Wake Up! Stand up for fair coffee-campaign, urging coffee consumers to join us in our fight for equitably sourced coffee. To celebrate our 50th anniversary, we organized a breakfast party with essential partners, as well as current and former Originals – both for and with a cup of fair coffee.

#### Where there is a will, there is a bill

In February, we stood alongside 124 other organizations in the Netherlands to endorse the Responsible and Sustainable International Business bill. The rationale behind this unified front is grounded in the fact that, over the past three decades, a mere 100 corporations have been accountable for 71% of the ecological damage in the Netherlands. It underscores the pivotal role large corporations play in spearheading a more sustainable global shift. Compliance with sustainable production practices becomes more important to these corporations when they are held accountable by law for issues within their production chains and the associated risks. Moreover, the obligation to mention in their annual reports the methods adopted to rectify any misconduct or violations serves as an additional driving force.

#### Impact measurements for a better living income

To measure is to know. Being able to precisely measure the impact a company is creating and support those assertions with factual data is priceless. In 2023, in partnership with MVO Netherlands, we fine-tuned a tool designed for gauging the impact of our initiatives. This tool underwent testing within our coconut supply chain and among coffee farmers in Uganda.

The preliminary findings confirmed the efficacy of the model, leading us to commence the implementation of this measurement approach across all coconut farms in Sri Lanka, in cooperation with local partners. While attaining a living income remains a challenge, this tool enables us to quantify progress made towards this goal.

### PRIZEWINNING WORK

Our most cherished achievement is making a tangible impact. When our efforts are not only recognized but also honoured with numerous awards, it bolsters our resolve in our mission: working together to achieve a living income for farmers.

#### Fairtrade Living Income Leader Award

A celebratory moment unfolded in Kenya last October, when Derrick Komwangi, of coffee cooperative ACPCU LTD, graciously accepted the award on our behalf at the Fairtrade Global Awards 2023 in Nairobi. According to a panel of Fairtrade representatives and independent producers hailing from three distinct regions, "Fairtrade Original entered the Living Income category, showcasing their significant impact and support for the coffee farmers in their supply chain."

#### Most inspiring food brand in the Netherlands

The celebrations extended beyond Kenya: in September, at the Inspirational 40 awards ceremony, we secured a place in the top 10 most inspiring brands in the Netherlands for the sixth consecutive time. More to the point: we were voted third best! The survey, conducted by Synergy, involved over 5,000 Dutch citizens and the jury verdict stated: "Fairtrade Original is particularly inspiring due to its mission (working together to achieve a living income for farmers and establish fair-trade supply chains), in combination with the openness and transparency of the organization."

#### Sustainable Food Award 2023

Having been at the forefront since 1959, it was a privilege to be recognized with the Ecovia Intelligence Sustainable Food Award in June 2023. We were nominated in the Sustainability Pioneer-category, alongside the inspiring brands Around Food Care, Corbion, Ecotone, Minerva Foods, and Morrison Healthcare. The jury at Ecovia Intelligence (formerly known as Organic Monitor) commended our continuous dedication to fostering a fair-trade supply chain and lauded our collaborative achievements with farmers.

#### An award with a crunch

Our Vegan Krupuk is a two-time winner! This popular meal accompaniment earned the prestigious PETA Vegan Award in Germany in 2022. Adding to its accolades, our delicious Vegan Krupuk Mild and Vegan Krupuk Spicy were honoured with awards in the Netherlands in March 2023. Our products were recognized with the prestigious Best Introduction 2022-award by Levensmiddelenkrant, the trade magazine for the Dutch food retail sector, after a jury composed of supermarket representatives and industry leaders meticulously assessed all nominees.



# 9. THE ORIGINALS

## GET TO KNOW US BETTER

The Fairtrade Original team consists of over thirty enthusiastic professionals in various areas, including sourcing & development, logistics, procurement, quality control, sales, product development, communication, management, administration, and IT. Fairtrade Original operates on a nonprofit basis. The profits we generate are reinvested into the fulfilment of our mission—in the Netherlands and Germany, as well as our farmers. Stichting Fair Trade Original (the Fair Trade Original Foundation) is the sole shareholder of the private limited company Fairtrade Original B.V.



**CLICK HERE FOR:**  
**TEAM FAIRTRADE ORIGINAL**  
**MEET THE FARMERS**  
**SUPERVISORY BOARD**

# 10. LOOKING FORWARD TO 2024

Throughout 2024, our primary focus will remain on assessing the impact of our initiatives. This assessment starts by establishing key priorities, a collaborative effort closely involving the farming communities central to our cause. These identified priorities are designed to enhance the livelihoods of these communities. To drive this progress, we have crafted a detailed action plan with specific goals, and we will diligently track advancements and adapt strategies as necessary. A concise overview of the outlined plans for 2024 is detailed below.

## IMPACT: TRADE

As the market expands, our farmers are presented with increased opportunities, leading to greater overall impact. In anticipation of market growth, we plan to incorporate three additional local cooperatives into our Asian operations. Additionally, we are aiming to establish partnerships with two new manufacturers. In 2024, we are not only initiating additional partnerships but also have 19 programs lined up related to Fairtrade certification for 3 new cooperatives and 12 existing ones.

## IMPACT: SUSTAINABLE PRODUCTION

Farmers, deeply rooted in the earth, have a profound understanding of the fragility of plant life. They witness firsthand how a seed nurtured with care can succumb to unpredictable weather patterns. In the face of these climate adversities, the significance of sustainable farming practices becomes increasingly critical. In support of farmers during these challenging circumstances, we offer 15 training sessions aimed at enhancing sustainable production methods. These sessions concentrate on improving practices in the cultivation of coffee, coconuts, and spices in Sri Lanka, while also addressing EU Organic regulations.

Additionally, in 2023, we calculated our Corporate Carbon Footprint (CCF) for the first time. With our CO2 emissions now transparent, we plan to establish reduction targets in 2024. The outcomes of our reduction initiatives will be published in the 2024 annual report.

## IMPACT: LIVING INCOME

For all the cooperatives we collaborate with, we continue to work on closing the gap between the current market price of coffee and the price needed to earn a living income. To achieve our goal, we will continue with projects in support of coffee farmers, including activities such as reforestation, income diversification, and soil fertility improvement.

## NEWCOMERS

An increasing number of our products is finding its way to stores in both the Netherlands and Germany. Despite challenging market conditions, we remain determined in our belief that there are many opportunities for growth. This is crucial as continued growth allows us to assist more farmers in earning a sustainable income. In 2024, we plan to expand our product lineup with the following additions:

### Coconut Milk Light

In 2024, we are excited to introduce a new addition to our coconut family: light coconut milk. This product is lower in fat but still rich in flavour – and certified Fairtrade and organic to boot! The raw materials for this light coconut milk will be sourced from our newly established coconut chain in Vietnam; not from Sri Lanka. This expansion allows us to provide even more farmers with the opportunity to earn a living income, a feat we are genuinely proud of.

### Community Coffee Italian Roast

Good news for coffee lovers: The popularity of Community Coffee in Albert Heijn supermarkets has paved the way for the introduction of a new and robust variety: Italian Roast. This Italian style dark roast has a nutty and intense flavour with a matching intensity level of 12/12.

## COFFEE MAKEOVER

In 2024, our coffee collection is getting a brand-new look. The new packaging will enhance your flavour experience and perfectly complement the deep, dark tones of the coffee itself. Both our filter coffee and coffee beans will be restyled in 2024.



## II. FINANCIAL OVERVIEW 2023

Despite tough market conditions, after a tough year in 2022, we grew again in 2023.

As a mission-driven organisation, growth leads to more impact. For us, growth is an important resource, not an aim in itself. A tool to help more farmers towards a dignified existence, provide more support and increase the number of collaborations. That is what we do it for. We are proud to present our financial result.

### FAIRTRADE ORIGINAL B.V. BALANCE SHEET AS AT 31 DECEMBER 2023

(after appropriation of result)

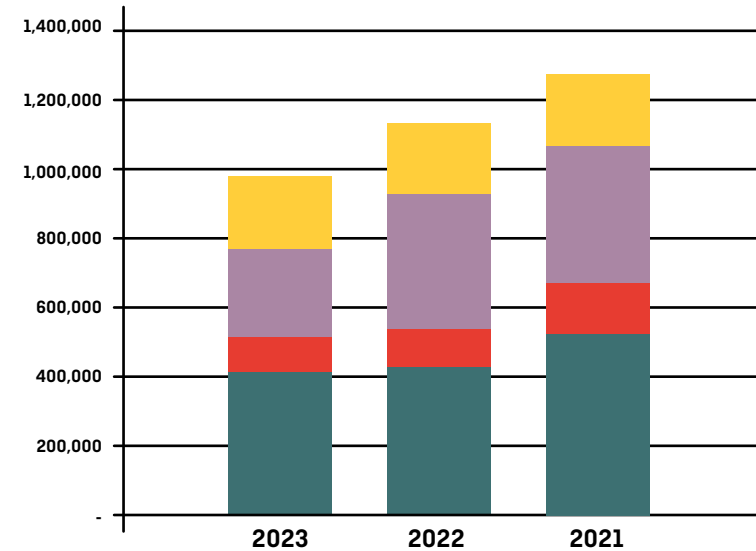
| EUR                                       | 2023             | 2022             |
|---|------------------|------------------|
| <b>VASTE ACTIVA</b>                       |                  |                  |
| Immateriele vaste activa                  | 11.520           | 2.465            |
| Materiële vaste activa                    | 40.403           | 58.057           |
| Financiële vaste activa                   | 154.241          | 169.839          |
|   | <b>206.164</b>   | <b>230.361</b>   |
| <b>VLOTTENDE ACTIVA</b>                   |                  |                  |
| Voorraden                                 | 3.081.003        | 3.488.204        |
| Vorderingen op handelsdebiteuren          | 2.214.250        | 2.960.549        |
| Voorfinanciering handelspartners          | 24.747           | 49.141           |
| Overige vorderingen en overlopende activa | 207.482          | 251.661          |
| Liquide middelen                          | 7.907            | 51.938           |
|   | <b>5.535.389</b> | <b>6.801.493</b> |
| <b>TOTAAL</b>                             | <b>5.741.553</b> | <b>7.031.854</b> |
| <b>EIGEN VERMOGEN</b>                     |                  |                  |
| Reserves                                  | <b>2.662.484</b> | <b>2.531.927</b> |
| <b>VOORZIENINGEN</b>                      |                  |                  |
| Voorzieningen                             | <b>14.547</b>    | <b>15.900</b>    |
| <b>LANGLOPENDE SCHULDEN</b>               |                  |                  |
| Lanlopende leningen                       | <b>870.897</b>   | <b>953.187</b>   |
| <b>KORTLOPENDE SCHULDEN</b>               |                  |                  |
| Handelscrediteuren                        | 888.443          | 770.721          |
| Bank                                      | 29.867           | 1.424.480        |
| Lening                                    | 65.500           | 65.500           |
| Belastingen en sociale lasten             | 182.167          | 228.768          |
| Overige schulden en overlopende passiva   | 1.027.648        | 1.041.371        |
|   | <b>2.193.625</b> | <b>3.530.840</b> |
| <b>TOTAAL</b>                             | <b>5.741.553</b> | <b>7.031.854</b> |



## INCOME STATEMENT FAIRTRADE ORIGINAL B.V. FOR 2023

|   | 2023              | 2022              |
|---|-------------------|-------------------|
| <b>BEDRIJFSOPBRENGSTEN</b>                  |                   |                   |
| Netto-omzet                                 | 19.386.249        | 19.033.515        |
| Overige bedrijfsopbrengsten                 | 76.746            | 67.710            |
|   | <b>19.462.995</b> | <b>19.101.225</b> |
| <b>BEDRIJFSLASTEN</b>                       |                   |                   |
| Kosten van grond- en hulpstoffen            | 12.755.391        | 13.089.674        |
| Personeelskosten                            | 2.865.002         | 2.793.193         |
| Afschrijvingen                              | 28.477            | 56.723            |
| Verkoopkosten                               | 2.582.131         | 2.419.744         |
| Huisvestingskosten                          | 156.905           | 157.390           |
| Fairtrade Licentie premie                   | 210.886           | 198.357           |
| Algemene kosten                             | 637.591           | 584.581           |
|   | <b>19.236.383</b> | <b>19.299.662</b> |
| <b>RESULTAAT UIT GEWONE BEDRIJFSVOERING</b> | <b>226.612</b>    | <b>(198.437)</b>  |
| Financiële baten en lasten                  | (70.507)          | (86.050)          |
| <b>BEDRIJFSRESULTAAT VOOR BELASTING</b>     | <b>156.105</b>    | <b>(284.487)</b>  |
| Belastingen                                 | (25.548)          | 61.790            |
| <b>RESULTAAT NA BELASTING</b>               | <b>130.557</b>    | <b>(222.697)</b>  |

## SPENDING ON DEVELOPMENT



### Fairtrade Nederland License

License fee paid to Fairtrade Nederland on the sales of all Fairtrade Original products carrying the Fairtrade mark.

### Fairtrade Original BV Investments

Investments made by Fairtrade Original BV in partnership with cooperatives.

### Fairtrade Original Impact Premium

Additional premium paid on the purchase of coffee to lift the purchase price [of coffee] to the level of the indicative Living Income Reference Price (see page 20).

### Fairtrade Premium

The Fairtrade Premium is paid to cooperatives as a contribution to development projects. The premium is added to the price that manufacturers pay the farmers for their raw materials. The manufacturers pass on these additional expenses to Fairtrade Original in the price of the end product. As we, in turn, incorporate the extra costs into the consumer sales price, it is the consumer who ultimately bears the cost of the Fairtrade Premium.

## COLOPHON

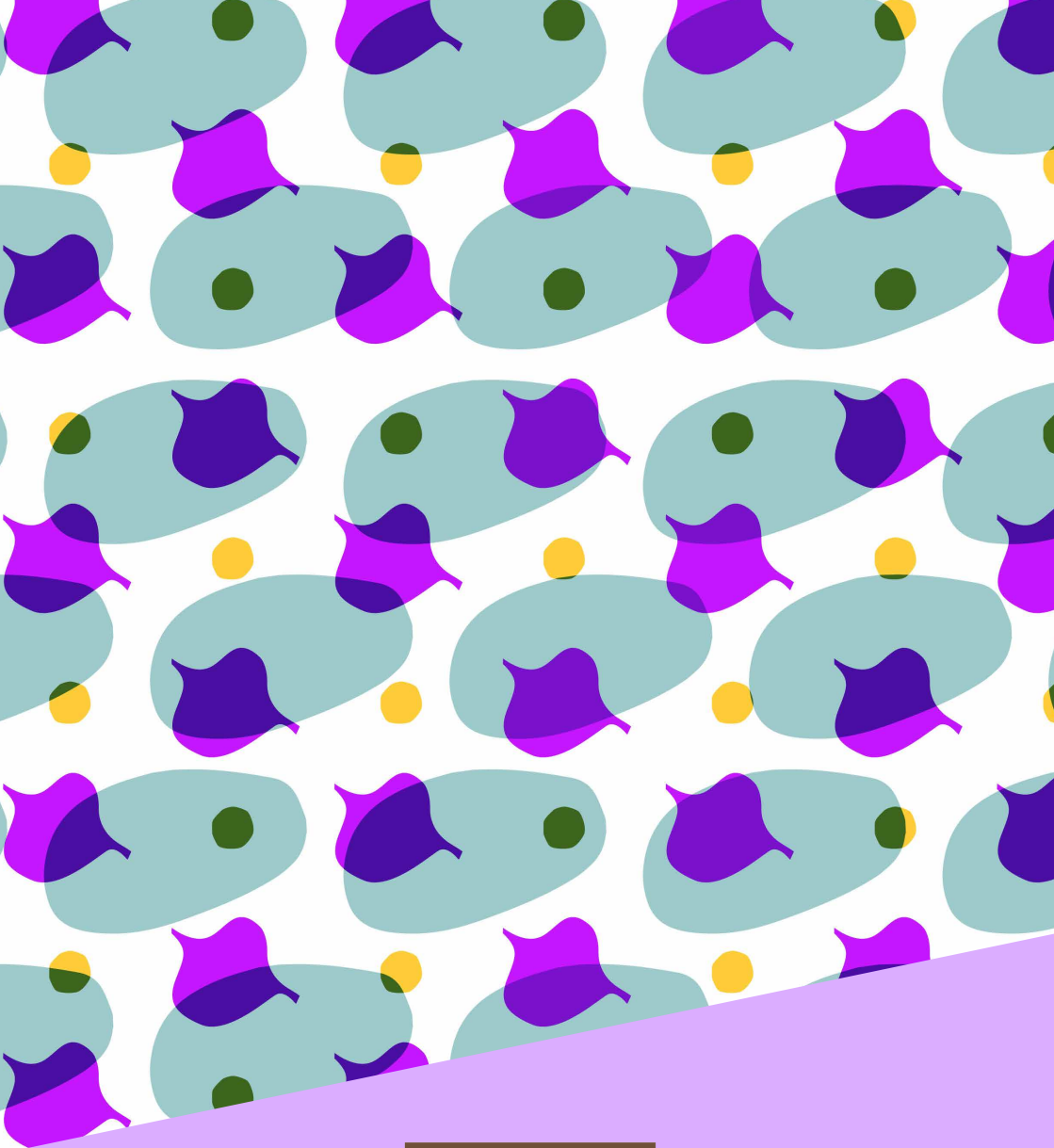
This is a publication of Fairtrade Original.

### Concept & realisation:

Team Marketing Fairtrade Original



**Fairtrade Original**  
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