



FAIRTRADE
AFRICA



2022

Annual Impact Report



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Abbreviations

CLAC	Latin American and Caribbean Network of Fairtrade Small Producers and Workers
CEA	Commerce Equitable Afrique
COP27	United Nations Climate Change Conference
C&P Network	Country and Product Network
DAF	Dynamic Agroforestry
AfDB	African Development Bank
ECAN	Eastern and Central Africa Network
EC	European Commission
EU	European Union
FTAO	Fairtrade Advocacy Office
FI	Fairtrade International
FPC	Fairtrade Premium Committee
FT System	Fairtrade System
FTA	Fairtrade Africa
GIZ	German Agency for International Cooperation
GAP	Good Agricultural Practises
HLO	Hired Labour Organizations,
HREDD	Human Rights Due Diligence
IGA	Income Generating Activities
IPM	Integrated Pest Management
MENA	Middle East and North Africa
NAPP	Fairtrade Network of Asia & Pacific Producers
NFOs	National Fairtrade Organisations
NGO	Non-Governmental Organisation
PACJA	Pan Africa Climate Justice Alliance
PWD	People Living with Disabilities
POs	Producer Organizations
Producers	Farmers and Workers
RFCs	Regional Fairtrade Congresses
SADC	The Southern African Development Community
SDG	Sustainable Development Goals
SAN	Southern Africa Network
SPOs	Smallholder Producer Organisation
ToTs	Trainers of Trainers
VSLA	Village Saving and Loans Association
WACP	West Africa Cocoa Programme
WAN	West Africa Network
WFP	World Food Programme
WSOL	Women School of Leadership

1.0 INTRODUCTION

1.1 From the Desk of the Executive Director

2022 is the second year of reporting following the launch of the strategic plan 2021-2025. Championing decent livelihoods and living incomes and wages for producers directed the choices we made with the strategic pillars. Interventions in products and market development aim at growing volume of products sold on Fairtrade terms, as well as ensuring better value proposition to various actors along the supply chain. Improved leadership at producer organizations, as well as revitalized Country and Product Networks will increase the voice that champions for decent livelihoods. Producer resilience to climate change is building sustainable farming systems. In sum, all these strategic pillars will fulfil the mission- transformative, resilient and impact.

War in Ukraine

The world is interconnected; a crisis in one corner of the world will be felt in another corner; on 24 February 2022 Russia invaded Ukraine, posing another major threat to the global economy. Africa though physically miles away, continues to feel the strain just as its economies begun to emerge from the impact of the COVID-19 pandemic. The conflict continues to impact food access and availability in Africa negatively. According to the African Development Bank (AfDB) 15 African countries imported over 50% of their wheat products from Russia or Ukraine. AfDB noted that the war had triggered a shortage of about 30 million tons of grains on the continent, along with a sharp increase in cost. Supply chain disruptions of primary farm inputs, including fertilizer imports from Russia and Ukraine, further threatened Africa's food security. The World Food Programme (WFP) reported that global fertilizer prices have risen by 199%. Implementing the African Continental Free Trade Area (AfCFTA), which promises efficient cross-border trade, would allow the seamless movement of the approximately 30 million metric tons of fertilizer that Africa produces each year (WFP). On the energy side, accelerating sustainable, reliable, and affordable energy access, be it for industrial development, employment for the continent's youth, or ensuring its food security, everything invariably lies in Africa having a balanced energy mix.

Status of Producers

At the end of 2022, there were 683 Certified Producer Organizations, an increase of 3.5% from 2021. The POs are certified across 15 product categories in addition to the carbon credits and textile standard. The FTA tier one products account for almost 80% of all the Producer Organizations, i.e., Cocoa, 43%, Coffee, 12%, Flowers, 9.4%, Herbs & spices 9.4%; Wine 3.8% and Bananas 1.8%. The total number of farmers and workers also grew by 2.4% to 1.39 million with workers growing by 0.9% while farmers grew by 2.6%.

New Markets

There was a 30% growth in Fairtrade premiums from 2020. This was mainly attributed to the cocoa premiums which grew by 46%. Flowers grew by 17% while coffee grew by 12%, banana by 3% and cane sugar by 36%. Supply chains disrupted by the COVID-19 Pandemic are recovering and through increased collaboration with National Fairtrade Organisations, over 90% of Fairtrade sales in Africa are generated in the northern markets. Engagements with commercial partners and National Fairtrade Organisations are leading to increasing commitments and have been instrumental in advancing the commercial conversations for prospective sales. The South-to-South sales continued to demonstrate positive results and closed 29% from baseline (2020). 85% of the sales were contributed by Wine. Coffee and Tea sales contribution stood at 7% and 6% respectively.

Climate Change

Climate change is emerging as a major challenge for smallholder farmers. The increasingly unpredictable and erratic nature of weather systems on the continent have placed an extra burden on food security and rural livelihoods. Widespread destruction of farms and homes in Malawi, Madagascar etc demonstrates the extent of the threat posed by Africa's changing climate. Agriculture is expected to pay a significant cost of the damage caused by climate change. We welcome EU efforts to adopt a new law to fight deforestation, enforce respect for human rights and environmental due diligence directives. However we are calling for fair sharing of compliance costs and changes in root causes such as purchasing practices must be addressed.

¹ Cocoa, Coffee, Flowers & plants, Banana, Herbs, herbal teas & spices, Wine grapes, Tea, Cane sugar, Fresh fruits, Dried fruits, Honey, Nuts, Oilseeds & oleaginous fruit, Cotton and Vegetables

1.2 Strategic Direction 2021-2025

The vision Fairtrade Africa envisages a world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future. The FTA strategic period 2021-2025 is guided by 4 inter-related strategic pillars;



Strategic Pillar I:

Product and Market Development; grow demand for Fairtrade products in the South and North markets, while improving producer's ability to access markets with a diverse base of quality and value-added products;



Strategic Pillar II:

Policy and Advocacy; engage in producer-driven advocacy work to amplify the producers' ability to increase Fairtrade's influence on trade, while advancing decent livelihoods;



Strategic Pillar III:

Sustainable Farming Systems; use a disruptive producer support services model to strengthen sustainable farming systems and climate resilience;



Strategic Pillar IV:






Transformed & Strengthened Producer Organizations: deliver transformative services to strengthen producer organizations to be inclusive, resilient independent and sustainable.



The foundational tenets of the 2021-2025 Strategy;

- 1 Alignment to the Fairtrade Global Strategy and its mission to connect disadvantaged producers and consumers and promote fairer trading conditions;
- 2 The 2021-2025 global strategy recognizes the formidable external (climate change, political upheaval, trade imbalance etc.) and internal (slowing growth in key markets, rise in competing certification schemes etc.) changes sweeping across the globe;
- 3 Alignment to the AU Agenda 63 aspiration of transformed and resilient economies and Sustainable Development Goals the blueprint to achieve a better sustainable future for all;
- 4 A strategic focus on Climate Change to strengthen Producer's resilience to climate shocks, price shocks, crop diseases, food insecurity and natural disasters;
- 5 Planning with Women and Youth in mind acknowledging the role of women and youth in agricultural production and commerce;
- 6 Pursue a number of Impact Pathways to demonstrate success. Using a robust data management, impact measurement and reporting framework, demonstrate impact;
- 7 To increase efficiency in the use of resources, FTA has prioritized Products and Countries of focus. The priority list is based on sales growth and premium contribution, number of POs and production, and system-wide considerations that include opportunities supported by South-to-South model, potential for income diversification and value addition.

The delivery of the strategic pillars will be enabled by a number of drivers;

				
<p>Digitalization and use of technology to create efficiency in producers</p>	<p>Use of big data, market linkages, digital payments of premium and other forms of transactional security</p>	<p>Forging external partnerships on the market end, beyond those acquired through NFOs to support supply side value chain efficiencies</p>	<p>Overarching quality and value for money and knowledge management</p>	<p>Focus on Innovations such as Human Rights Due Diligence and co-creation culture with like-minded organizations</p>

1.3 About Fairtrade

Fairtrade changes the way trade works through better prices, decent working conditions and a fairer deal for Producers in developing countries. As a leader in the global movement to make trade fair, Fairtrade supports and challenges businesses and governments and connects Producers with the people who buy their products. By choosing Fairtrade, people can create change through their everyday actions. A product with the FAIRTRADE Mark means producers and businesses have met internationally agreed standards, which have been independently certified.

The Fairtrade System comprises;



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regional producer networks that represent Producers in Africa and the Middle East, Asia and the Pacific, and Latin America and the Caribbean;



25

national Fairtrade organizations and marketing organizations that market and promote Fairtrade products in consumer countries;



1

Fairtrade International, the umbrella NGO that creates the internationally agreed Fairtrade Standards and coordinates Fairtrade worldwide; Its office is in Bonn, Germany.



1

FLOCERT, the main independent certifier for Fairtrade, which inspects producers and traders to ensure they comply with Fairtrade Standards.

1.4 About Fairtrade Africa

Established in 2005, FTA is an independent non-profit umbrella organisation representing 683 Fairtrade certified producers in 29 countries in Africa and the Middle East. FTA is owned by its members, who are producer organisations producing traditional export commodities such as coffee, cocoa, tea, cotton, wine, bananas, fresh fruits, herbs and spices and non-traditional commodities including shea butter, honey, and rooibos among others. FTA represents 1,387,382 Producers.

Fairtrade Africa, the trading name for Commerce Equitable Afrique (CEA), a company limited by guarantee is registered in Kenya. The Secretariat is based in Nairobi, and works through four regional networks with the following offices;

- The West Africa Network (WAN) with a regional office in Accra, Ghana and a country office in Abidjan, Côte d'Ivoire;
- The Eastern and Central Africa Network (ECAN) with a regional office in Nairobi, Kenya and a Country Office in Addis Ababa, Ethiopia;
- The Southern Africa Network (SAN) with a regional office in Blantyre, Malawi and a country office in Cape Town, South Africa;
- The Middle East and North Africa (MENA) region supported by the Nairobi, Kenya Office.

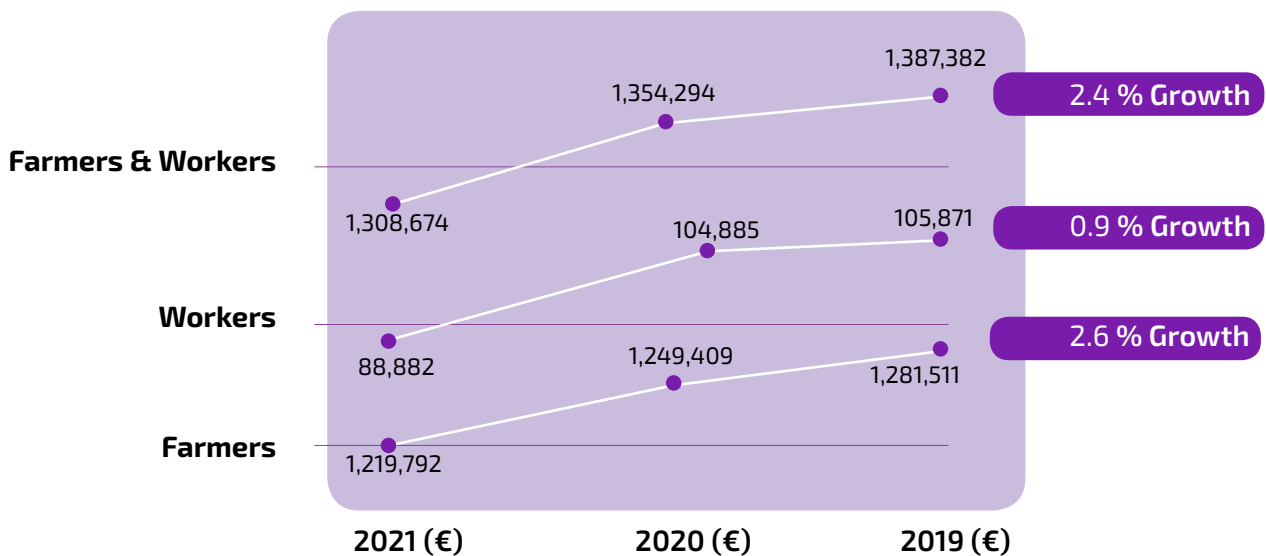


2.0 KEY TRENDS

2.1 Fairtrade Certified Producers

At the end of 2022, there were 683 Certified Producer Organizations, an increase of 3.5% from 2021.

- The POs are certified across 15 product categories² in addition to the carbon credits and textile standard.
- The FTA tier one products account for almost 80% of all the Producer Organizations, i.e., Cocoa, 43%, Coffee, 12%, Flowers, 9.4%, Herbs & spices 9.4%; Wine 3.8% and Bananas 1.8%.



² Cocoa, Coffee, Flowers & plants, Banana, Herbs, herbal teas & spices, Wine grapes, Tea, Cane sugar, Fresh fruits, Dried fruits, Honey, Nuts, Oilseeds & oleaginous fruit, Cotton and Vegetables

- **Growth:** The total number of farmers and workers also grew by 2.4% to 1.39 million with workers growing by 0.9% while farmers grew by 2.6%
- **Gender Disaggregation:** 46.5% of all workers are female while 20.7% of all farmers are female in 2021.
- **Focus on Hired Labour:** The top four products account for 94% of all workers i.e., flower 65%, tea, 12%, fresh fruits, 12% and Bananas 6%.
- **Focus on Smallholder Producer Organizations:** Three products account for 97% of the farmers i.e., coffee for 40%, cocoa 32% and tea 24%

2.2 Fairtrade Production

The FTA tier 1 products exhibited different growth patterns in 2021. Cocoa, Coffee, Flowers & Plants and Herbs, Herbal Teas and Spices product grew by 14%, 22%, 2.5% and 29% respectively.

Product	2019 (€)	2020 (€)	2021 (€)	Growth 2021%
Banana (MT)	122,253	165,137	160,522	-2.8%
Cane Sugar (MT)	73,454	78,376	96,202	22.7%
Cocoa (MT)	553,652	534,521	610,088	14.1%
Coffee (MT)	57,999	73,839	89,960	21.8%
Dried Fruit (MT)	178	12	12	0.3%
Flowers & Plants (Stems)	4,466,988,555	4,972,325,518	5,096,604,039	2.5%
Fresh Fruit (MT)	195,931	370,650	347,235	-6.3%
Herbs, Herbal Teas & Spices (MT)	9,298	7,296	9,428	29.2%
Honey (MT)	2	2	7	217.4%
Nuts (MT)	18,565	14,939	19,459	30.3%
Oilseeds & Oleaginous Fruit (MT)	5,345	4,389	1,634	-62.8%
Seed Cotton (MT)	2,504	3,758	3,946	5.0%
Tea (MT)	150,848	162,491	156,842	-3.5%
Vegetables (MT)	7,235	131,949	144,178	9.3%
Wine Grapes (MT)	92,220	88,238	84,353	-4.4%



2.3 Fairtrade Premium

There was a 30% growth in Fairtrade premiums from 2020.

- This was mainly attributed to the cocoa premiums which grew by 46%. Flowers grew by 17% while coffee grew by 12%, banana by 3% and cane sugar by 36%.
- The 6 FTA Tier 1 products account for 89% of all the FT premium received.

Product	2019 (€)	2020 (€)	2021 (€)	% of Total (2021)
Cocoa	40,623,305	27,610,949	40,449,612	58.7%
Flowers & Plants	7,512,651	6,959,153	8,147,915	12.5%
Coffee	5,667,366	4,710,739	5,256,981	9.6%
Banana	2,452,813	3,048,008	3,130,000	4.5%
Cane Sugar	2,275,895	1,639,924	2,229,352	4.3%
Tea	1,829,639	1,839,609	1,459,637	4.0%
Wine grapes	1,396,646	1,482,133	1,279,751	2.2%
Fruits (fresh & dried)	1,160,721	855,997	791,647	1.3%
Herbs, herbal teas & spices	695,371	925,597	921,770	1.4%
Nuts	527,277	560,384	800,358	0.7%
Vegetables	199,102	89,136	93,374	0.2%
Oilseeds & Oleaginous fruit	93,278	83,316	109,260	0.2%
Seed cotton	22,330	36,263	130,779	0.2%
Grand Total	64,464,498	49,841,209	64,800,435	

A total of 981,108³ farmers and workers have benefited from premium projects implemented in the period under review in the following broad areas;

- **Production:** Improvement of facilities, infrastructures in organizations, provision of agricultural tools inputs to farmers as well as the Good Agricultural Practices trainings for farmers;
- **Social investment:** Projects implemented to benefit the producers and their communities and include education, health and community-based infrastructure;
- **Financial benefits:** Direct payments to producers/their families or amount invested in credit and financial services for the producers;
- **Business and organization development:** Investments in the Human resources and administration of POs, capacity building for the boards and committees;
- **Worker empowerment:** Investment in worker training, costs of premium committees;
- Others include investments in environmental projects, inclusion/gender projects etc.

³ Some of the beneficiaries benefitted multiple times.



STRATEGIC PLAN IMPLEMENTATION OF RESULTS



3.0 Product and Market Development

Product and Market Development strengthening initiatives are led by the Commercial Directorate. This pillar delivers the following outcomes:

STRATEGIC OUTCOMES	COMMERCIAL STRATEGY OUTCOMES
Increasing Market Access for Fairtrade Products	Market Access and Development
Diversified and Innovative Products	Product Innovation
Expanded Markets with The South Model	Integrated Marketing and Communication
	Business Support Services

3.1 Market Access & Development

Supply chains disrupted by the COVID-19 Pandemic are recovering and through increased collaboration with National Fairtrade Organisations, over 90% of Fairtrade sales in Africa are generated in the northern markets;

- New accounts were onboarded and are sourcing Fairtrade such as Puratos for Guylian Chocolates (Belgium), Co-op Supermarkets (UK and Switzerland) and increased demand for Mauritius Sugar;
- Fairtrade Africa hosted National Fairtrade Organisations and their commercial partners. These engagements have led to increasing commitments and have been instrumental in advancing the commercial conversations for prospective sales.

ENGAGEMENTS WITH COMMERCIAL PARTNERS AND NATIONAL FAIRTRADE ORGANISATIONS (NFOS)	
Product	Engagement/Visits
Cocoa	Fairtrade Belgium and Gallier and Manner Group: Fairtrade Foundation and B&J, Mars and Waitrose; Fairtrade Netherlands and Tonny's Chocology; Fairtrade Germany and Lidl; Fairtrade Austria
Coffee	Fairtrade Foundation and Co-op UK, Fairtrade Slovenia/Czech Republic, Fairtrade Africa to Woolworths, Faithful to Nature and Bean There Coffee;
Flower	Max Havelaar Switzerland (MHCH) and ALDI, Co-op Switzerland and 3 traders; Fairtrade Foundation and ASDA; IPL Co-op UK; MH France; Fairtrade Norway
Tea	Fairtrade Foundation, Marks & Spenser, Rington Traders

- The South-to-South sales continued to demonstrate positive results and closed 29% from baseline (2020). 85% of the sales were contributed by Wine. Coffee and Tea sales contribution stood at 7% and 6% respectively. Increased distribution of value-added products, listing of new players and increased commercial support with licence holders are key drivers of South-to-South growth.
- eCommerce platforms listing Fairtrade products include Copia, Greenspoon, Healthy U and Faithful to Nature;
- New Fairtrade products continue to be developed for the African market; Nineteen (19) Producer Organizations were supported according to the New Product Development (NPD) framework. In 2022, the product range included In Kenya (Zawadi Women with Coffee, Fintea with Umoja Tea), In Côte d'Ivoire (SAHS with SAHS Chocolate, Baracoop with Baracoop Chocolate and SCINPA with Chocolate);

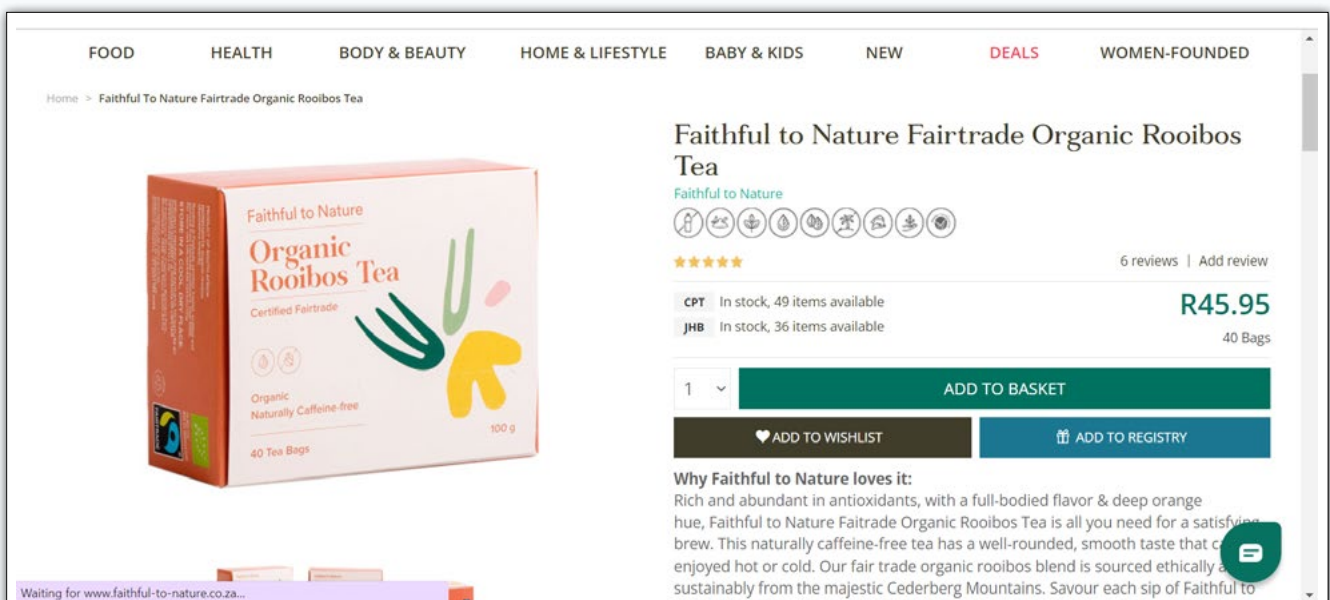
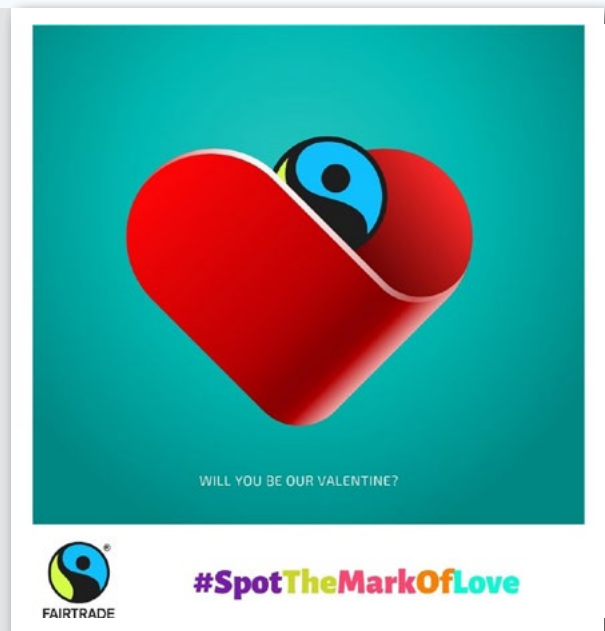
3.2 Integrated Marketing & Communication

In the period under review some of the marketing and communication campaigns were

- A new localized business campaign themed **#thelittlesticker** was released in quarter 3, 2022;



- In Kenya, a valentine campaign was executed in partnership with local licensees Kericho Gold and Dorman's Coffee. This campaign propelled growth of the Fairtrade Africa Marketplace community with over **4 million** online engagements in February 2022;
- In Ivory Coast, The Ivorian Fair-Trade Network (RICE) has set up a Fairtrade distribution shop, with the aim of distributing Fairtrade value added products from producers in Africa and raise awareness of the Fairtrade brand;
- FTA social media community is growing with 4,200 followers on LinkedIn, Facebook, Instagram while Twitter audience reached of over 2,000,000 as of December 2022.



3.3 Business Support Services

- 151 producer touchpoints were provided to producers through 17 trade fairs and roundtables. Key market linkages opportunities offered to producers in 2022 were as follow:



Cocoa

- Germany ISM Cologne (Jan)
- Cote d'Ivoire Salon Du Chocolat (Sept)



Wine

- New York, USA Vinexpo America (March)
- Cape Town, South Africa Cape Wine



Tea

- Las Vegas, USA World Tea Conference and Expo
- Mombasa, Kenya East Africa Tea Traders Association Auction



Flowers

- Nairobi, Kenya International Floriculture Trade Expo (IFTEX)



Coffee

- Boston, USA Speciality Coffee Expo (April)
- South Korea Seoul Int'l Cafe Show
- Kenya, Uganda, Tanzania Kombe la Dhalabu
- Italy World of Coffee (June)



Others

- Nürnberg, Germany BioFach (July) (Organic Foods)
- Dubai Gulfood Expo (Feb) Herbs & Spices
- Sava Region, Madagascar Sweet-Smelling Vanilla Fair (Vanilla)

4.0 POLICY ADVOCACY

The objective of the Policy and Advocacy pillar is to engage in producer-driven advocacy and policy work to amplify the producers' ability to increase Fairtrade's influence at national, regional, and continental level on trade, while advancing decent livelihoods. This pillar delivers the following outcomes:

Policy and advocacy capacity of Fairtrade Africa strengthened

Product and country networks strengthened to drive advocacy and policy strategy

Partnerships with public and private sector, and regional and continental bodies; and other like-minded development organizations built to influence policy decisions.

The focus for the year was the finalisation of the Policy Advocacy and Communication Strategy comprising with 4 objectives;



CAPACITY STRENGTHENING

Increase and strengthen capacities of Country and Product Networks and of Fairtrade Africa staff



RESEARCH, LEARNING AND KNOWLEDGE MANAGEMENT

Increase evidence for policy advocacy and strengthen knowledge management practices



COMMUNICATION AND MEDIA ENGAGEMENT

Increase visibility of Fairtrade policy advocacy work at national, regional, and global level



PARTNERSHIPS, NETWORKING, AND COALITION BUILDING

Improve partnerships and working collaborations for policy influencing

4.1 Strengthening Country and Product Networks

These are networks comprising Fairtrade Certified members working in the same country or with the same product to coordinate activities and pool resources to better achieve common objectives in a country. These Networks are the drivers of the policy advocacy initiatives at country level. Capacity strengthening initiatives were organised in;

- In Kenya, the Coffee Network met to review the Coffee bill and the radical changes proposed therein. The bill will permit coffee factories to register as autonomous societies;
- In Morocco, the Country Network defined their priorities and partners they want to engage with;

- In Madagascar, the Country Network met and reviewed operational challenges, producer needs, and identified their priority to advocate for better harvesting and pricing schedules for Vanilla.
- In Ghana, the Country Network reviewed its strategic plan and developed two proposals.

4.2 National Policy Advocacy Initiatives

Some of the national advocacy initiatives were;

- In Madagascar, Producer Organizations participated in the commemoration of World Day against Child Labour;
- In Malawi, Fairtrade Africa partnered with Tea Association of Malawi Ltd (TAML) and mobilized producers and created awareness promoting the prevention of child labour in the sector;
- In Uganda, POs engaged with the Ministry of Gender, Labour, and Social Development and Fairtrade Africa was given a seat on the National Council for the Elimination of Child Labour with the twin agenda of child labour and advocating for worker's minimum wages.

4.3 Global Policy Advocacy Initiatives

Fairtrade Africa worked alongside Fairtrade Advocacy Office (FTAO) in Brussels to amplify the position of farmers and workers as they lobby the EU to make directives that incorporate their voices in particular:

- The new EU Corporate Sustainability Reporting Directive (CSRD) which obliges large companies to describe their HREDD process, risks and mitigating measures in their annual reports from 2025 onwards while listing SMEs report from 2028 onwards; Fairtrade initiated the following;
 - o Influenced the EU Corporate Sustainability Due Diligence Directive (CSDDD), in particular (i) published a joint public letter of more than 270 Fairtrade POs and 45 Commercial Partners in May 2022, (ii) prepared amendments to the EU Directive together with FTAO, Rainforest Alliance and Solidaridad and (iii) joined the International

Justice is Everybody's Business campaign. Some initiatives by Fairtrade were;

- o Launched the Risk Map <https://riskmap.fairtrade.net/> which identifies and visualises the greatest human rights and environmental risks for coffee, cocoa, bananas, wine grapes, honey (to be expanded to other products);
- o Launched the HREDD guide for Small Producer Organisations (SPOs) which gives a concrete overview of how SPOs can align their policies and processes, which includes HREDD;
- o A new Cocoa Standard for Africa and Asia includes a set of HREDD requirements.

- Working with FTAO in Brussels to mobilise producers to articulate the impact of the EU proposal for a regulation on deforestation-free products (EUDR). 2022 has seen intense negotiations to push the Council, the Parliament, and the Commission to reach provisional political agreements on the EU Deforestation Regulation. They have agreed to broadening the material scope of the Regulation to cover additional commodities. Furthermore, recognition of the strong link between deforestation and widespread human right abuses was a major breakthrough;

Several key elements for smallholder farmers have not been addressed including the reference to price (likely to be dropped because the Commission is very much against it), or the date when an assessment on the impacts of the Regulation on smallholders will be conducted (options on the table: 2 or 5 years after entry into force).

5.0 SUSTAINABLE FARMING SYSTEMS

Strengthening the Farming System Strategic Pillar initiatives are championing the use of a disruptive support services model to strengthen sustainable farming systems and climate resilience. In this pillar we highlight project initiatives contributing to this outcome.

5.1 Livelihood improvement through product diversification

- In Malawi and Kenya, the Recover Africa Project is targeting 12,000 farmers with diversified income initiatives. Studies commissioned in the two countries identified suitable income diversification opportunities (pig farming, poultry keeping, vegetables farming, banana production and beekeeping initiatives) for coffee, tea and sugarcane producers. 900 farmers completed the training as trainers and each is supporting between 40 farmers develop business plans. 900 farmers have set up new businesses after receiving startup capital; 4 demonstration plots have been set up in each country where farmers come to learn how to set up and manage these new businesses.



- In Ghana, Equite Project, installed 8 Dynamic Agroforestry Demonstration Plots in Asunafo, Kukuom, and Offinso Cooperatives. Working with trainers from Ghana COCOBOD, 34 lead farmers completed training in dynamic agroforestry installation and sustainable cocoa management practices. Each lead farmer is supporting at least 180 farmers in dynamic agroforestry installation and management practices. 2850 fruit seedlings comprising of Mango, Orange, Avocado and Coconut have been planted by cocoa farmers.

5.2 Increased Agricultural Production and Productivity

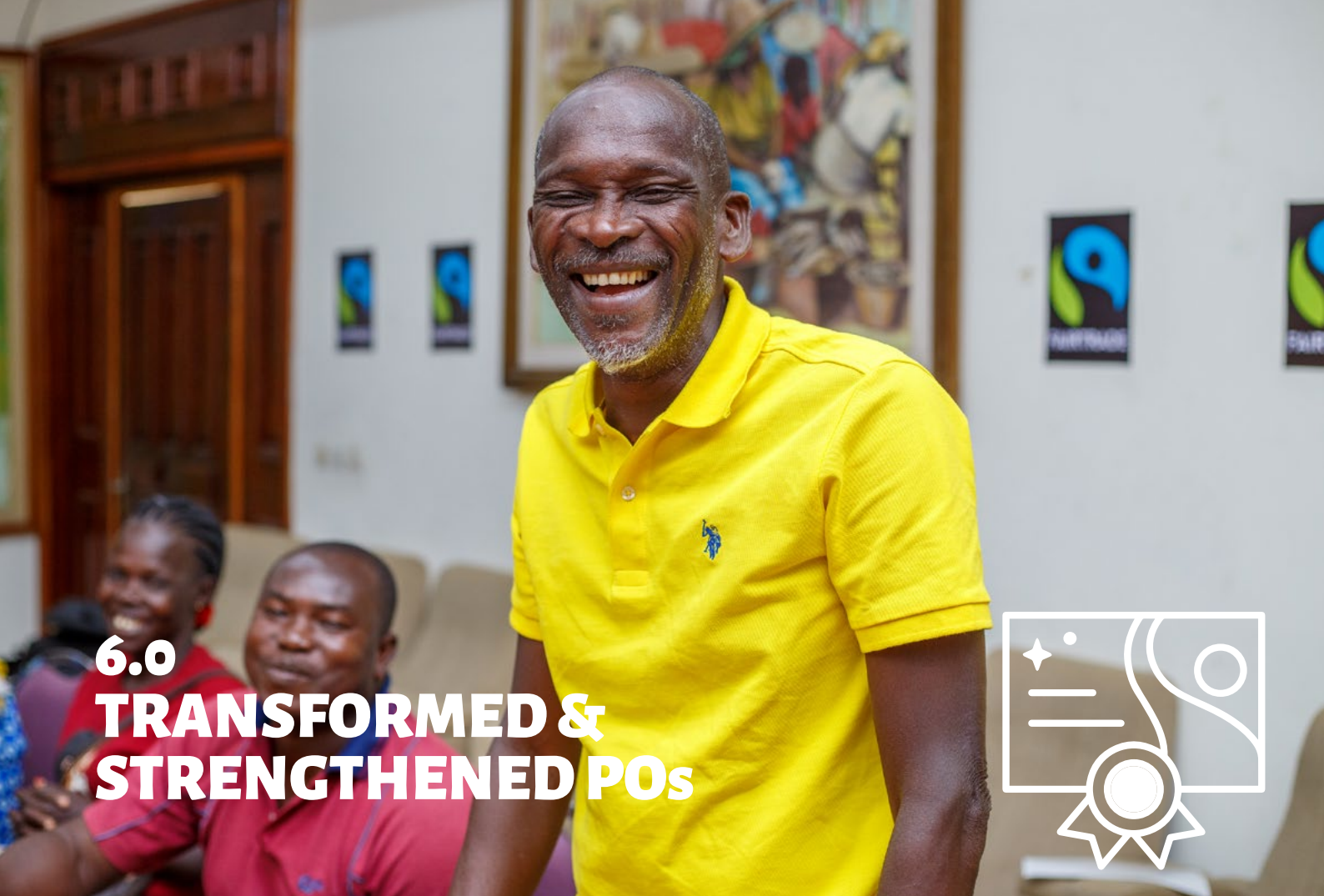
- In Ghana, Mondelez Climate Change and Organizational Strengthening Program (CCOSP) supported 32 communities to address drought by developing Community Adaptation Action Plans (CAAPs). This involved supporting each union to identify CAAP pilot projects, provide technical guidance and funding support for implementation;
- In Kenya, the Fairtrade Alliance for Climate-Smart Supply Chains in Africa (FACSCA) Project reached 1,333 coffee and tea farmers, as well as flower workers, with knowledge on climate change and application of sustainable agricultural land management (SALM) practices, with improved knowledge of climate change and the application of sustainable agricultural land management practices, as well as awareness of climate change mitigation strategies;
- In Madagascar, a partnership was developed with CURSA (Centre Universitaire Régional de la SAVA)

to conduct studies and research on sustainable farming systems. A sustainable vanilla farming tool was developed and vanilla farmers invited to validate the tool; they also received expert advice on sustainable vanilla farming and vanilla processing was given to producers to promote climate friendly practices.

- In Ethiopia, The Ethiopian Horticulture Producers Exporters Association (EPHEA) established an Integrated Pest Management (IPM) practice in two flower farms following a comprehensive gap analysis of pest and diseases threshold. This project, the Integrated Pest Management (IPM) for Flowers Project, was funded by Fairtrade Australia and New Zealand (FANZ).
- Producers from Morocco, Egypt and Tunisia participated in exchange and learning visits organised to facilitate learning on value addition, diversification and best practices in the application of sustainable agricultural farming practices.

On Climate, Fairtrade participated in the 27th UN COP 27 held 7th-18th 2022 in Sharm El Sheik Egypt. COP 27 showed a high level of awareness on agriculture however it did not unlock climate financing for smallholder farmers. The main achievement was an agreement on a 'loss and damage' fund. A transitional committee will make recommendations at COP28 on operationalising the fund.





6.0 TRANSFORMED & STRENGTHENED POs



Strengthening Producer Organisations through delivering inclusive and transformative services is key in contributing to Producer Organisation resilience and competitiveness. Services provided to Producer Organisations include - leadership training, Fairtrade Standards compliance support, inclusion of youth, women and persons with disabilities, empowerment initiatives, training on use of Fairtrade Premium, and internal management systems trainings. In this pillar we highlight actions contributing to this outcome.

6.1 Enhanced SPO Leadership and Governance Capacity

- Leaders from 187 Producer Organisations received trainings to enhance their leadership and governance structures, including strengthening organizational processes and accountability, reviewing Internal Control Systems (ICS), good governance and premium use, succession planning building etc.
- A total of 119 Producer Organisations participated in Inclusion Trainings;
 - o In South Africa, wine farm workers and management teams were trained on Youth Policy Development including how to establish youth shadow boards to promote inclusion.
 - o In Morocco, Producer Organisations implemented gender inclusion plans; women and youth were incorporated in management boards as well as in operations steadily enabling social inclusion in operations.
 - o In Uganda gender policies in Producer Organisations have increased the number of women, youth and persons with disability to take part in initiatives and decision making.

6.2 Human Rights Due Diligence (HRDD) Initiatives

- Institutionalizing Human Rights Due Diligence (HRDD): trained staff rolled out HRDD awareness with 62 participating Producer Organisations, identifying risks to the environment and human rights and designing mitigation plan. 25 Producer Organisations are receiving necessary support to implement action plans.
- 390 Producer Organisations received compliance support resulting, in over 90% of the POs maintaining their certification. Compliance support offered entailed post certification support for corrective measures and objective evidence, pre-audit support and FairInsight training, training on Premium management, Fairtrade Premium Committee (FPC) operations, Workers Committee operations and Workers' Rights and legislative guides on what must be in an employment contract. HLOs were trained on Occupational Safety and Health (OSH) etc.



6.3 Building Resilient Communities

One of the initiatives to build resilience is promoting access to savings and credit



In Ghana, Village Saving and Loans Schemes (VSLA) are empowering Fairtrade farming communities and promoting access to savings and credit. Kukuom Union a cocoa Producer Organisations based in the Asunafo South District started with 10 VSLA Groups; to date they have grown to 55 groups with a membership of 1,512 farmers. VSLAs provide a range of benefits to its members, including access to small and micro-credit facilities at reduced interest rates, investment opportunities, and the ability to save their money to use it in times of need. They are increasing access to liquidity in the community, allowing members to pay

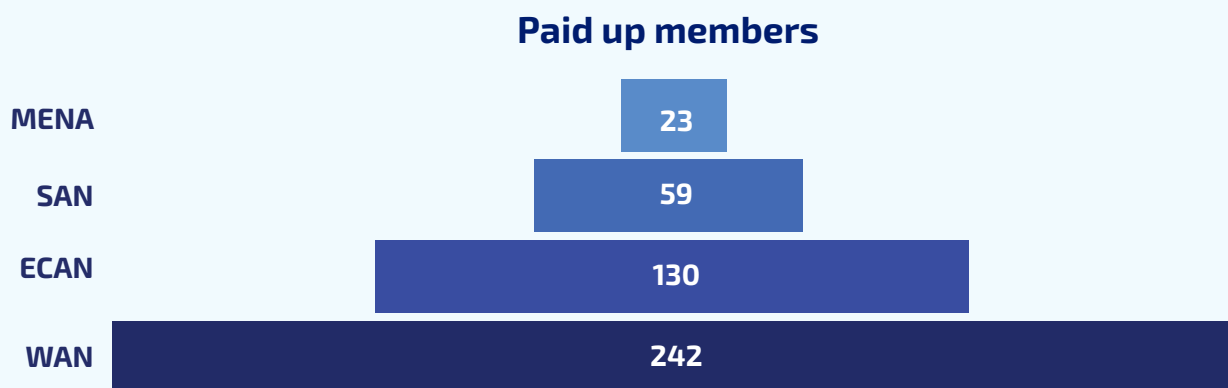
for healthcare and education expenses, and provide access to low-cost credit facilities. VSLAs have empowered women and reduced the burden on the Kukuom Union to provide credit support. Overall, the VSLA has helped to improve the financial management skills and economic well-being of its members.



7.0 GOVERNANCE @ FAIRTRADE AFRICA

7.1 Governance @ FTA

The 3rd FTA General Assembly was held in Accra Ghana with producer representatives from all the regions. Before the GA, all the regions hosted producer congresses and conventions, where member organizations participated in deliberations and selection of delegates to represent them in the GA. In 2022, fully paid-up members;



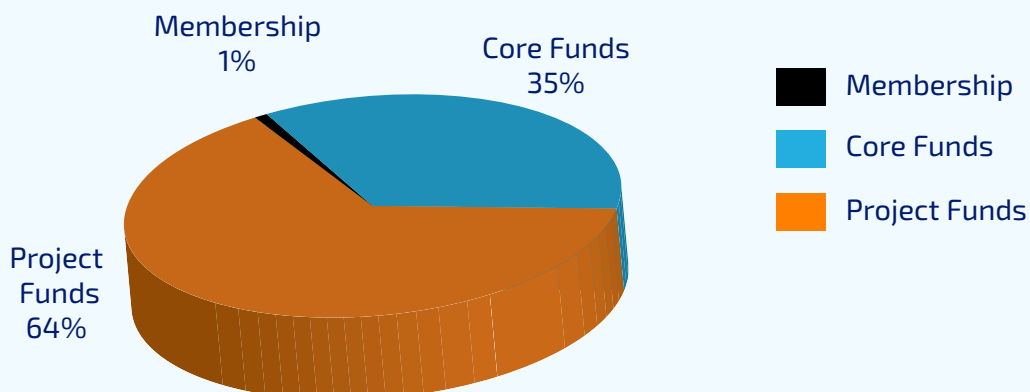
8.0 FINANCIAL REPORT

8.1 Resource Mobilization

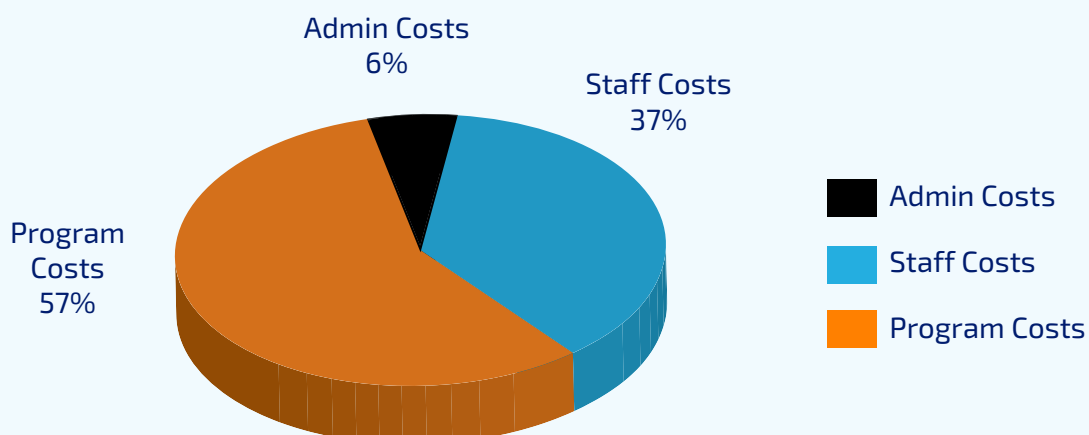
The function of the Resource Mobilization desk is to ensure the financial sustainability of Fairtrade Africa by effective resource mobilization for the achievement of Fairtrade Africa's vision and strategy.

- Total secured funding for the year 2022 @ 174% vs. target. €6,646,464 against €11,589,970 secured mainly due to increased uptake of non-core products funding opportunities – shea butter, cotton, fresh fruits, and cane sugar. For the first time ever, shea butter producers in Ghana were funded by the Waterloo Foundation through the project 'Building Market Linkages for Women's Livelihoods and Educational Support in Ghana (shea butter) women producers'.
- Most of the funding is on sustainable farming systems i.e., 70% of calls for proposals submitted related to agricultural production and productivity and climate change mitigation.
- Main funding partners include Ministry of Foreign Affairs (MFA) Finland, German Development Agency (GIZ), French Development Agency (AFD) And Norwegian Agency for Development Cooperation (NORAD).

Sources of Budget Funding



Expenditure





FAIRTRADE
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