

Solidaridad

THE SOLIDARIDAD NETWORK 2012 ANNUAL REPORT



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Solidaridad

International secretariat

't Goylaan 15, 3525 AA Utrecht, the Netherlands

tel: + 31(0)30 275 94 50

fax: + 31(0)30 272 01 94

e-mail: info@solidaridadnetwork.org

www.solidaridadnetwork.org

NEW VISION AND MISSION STATEMENT

Today, the world economy is not organized in a sustainable way. Many of us now realise that an unsustainable way of life threatens food security, the planet and businesses. Read our new vision and mission statement.

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Photo: Annemarieke van den Broek



TRIPLE-A FOOD SECURITY

Achieving food security for all, involves tackling a number of inter-related challenges. Solidaridad has developed a comprehensive Triple-A strategy to make this possible. Triple A refers to interventions related to the Availability, Affordability and Accessibility of food.

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COCOA

SCALING UP PRODUCTION IN AFRICA



In 2012 Solidaridad more than doubled investments in its cocoa programme. It took the lead in training trainers in Nigeria and Ivory Coast in multiple certifications of unorganized farmers.

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SOUTH AND SOUTH-EAST ASIA

A SHIFT OF FOCUS IN ASIA

Whereas in the past the focus was on sourcing in developing countries for markets in OECD countries, now Asia itself is the main market for most agro-commodities.



Photo: Marieke Weerdesteijn



SOLIDARITY NEEDS TO BE ROBUST

Solidaridad is doing well. In 2012 the budget of the network organisation increased to €26.9 million. An all-time high. This is 25% higher than budgeted and a considerable growth compared to last year's budget of €18.3 million. In 2013 we expect to grow even more, to a budget of over €40 million.

The global Solidaridad Network was extended with an office in San Francisco – to cover the North American continent – and staff worldwide grew to 190 (FTE) employees and freelancers on five continents.

This rapid growth creates new opportunities, but also contains risks. Too rapid, uncontrolled growth can destroy an organisation. So in the past year great effort was invested in developing internal quality systems for the network in order to be able to absorb the budget increase effectively. Adequate financial management and control systems were further developed, as well as a management information system and a high-quality results-based management system for monitoring and evaluating our programmes. Through developing these systems and training users, the quality of the organisation increased. For 2013 as well we have developed an ambitious improvement programme to ensure that the organisation is at the desired level. In this way our capacity to innovate and learn will be anchored in the ways of working and in the quality of the Solidaridad staff worldwide.

In 2012 – together with many people from Solidaridad regional offices all over the world – a new vision and mission statement were developed. This was a valuable process, since it was encouraging to see that people with different backgrounds can come to a shared analysis of the state the world is in and the challenges associated with offering more people a better chance to achieve a dignified existence. As a result, the mission of Solidaridad was reformulated, leading to a new consensus on what needs to be done.

These investments in the quality of the organisation clearly depend on an effective implementation of programmes that can make a difference to people's lives. Solidarity must be robust. People need ways to move forward – not enslaved in an aid relationship, but independently, using their own resources.

In the past year, international commodity teams were formed for the various sector programmes. In these teams all sector specialists throughout the network are linked. The teams are



Photo: Roger Cremers

headed by an International Programme Coordinator, who is responsible for developing the global Solidaridad strategy for a specific commodity, aiming at structural change of a sector towards sustainable development. In support of this, agreements can be made with global companies and donors about their contribution to this process. Consequently these plans are translated to the regional context. Each regional programme contributes to the global goals and is held responsible for effective implementation of the agreements made. This is crucial for the binding network Solidaridad strives to be:

decentralized implementation by local staff – making optimal use of local knowledge which contributes to a jointly formulated global strategy. That is what modern international cooperation should look like.

Solidaridad is gaining more and more insight into the results of its programmes. Success rarely comes without failure. But ever larger groups of people are reached and poverty is being combatted effectively. Improved food production, a safer workplace, access to cleaner water, and a better income. More and more actors are being involved in this process of change. Mainly companies. Local authorities are following somewhat hesitantly.

Programmes are designed in such a way that finance, knowledge and skills remain available after the programme ends. So continuity is guaranteed. This way, our interventions will become ever more effective and will increasingly contribute to greater welfare for more and more people.

Nico Roozen
Executive Director Solidaridad Network



VISION AND STRATEGY

- A NEW VISION & MISSION STATEMENT
Change that matters
- MONITORING AND EVALUATION
Improving rather than proving
- FOOD SECURITY
A new triple-A food security strategy
- HOW WE BUILD PRODUCER SUPPORT PROGRAMMES
More ambitious farmer support

CHANGE THAT MATTERS

In 2012 Solidaridad formulated a new vision and mission across the network. This was an intensive process, which took ten months and involved people from around the world.

REDEFINING VALUES

The new statement was necessary because in 2010 Solidaridad returned its historic mandate from the Dutch churches to the bishops and synods. Since we are no longer exclusively connected to the Christian tradition, this created the opportunity to redefine our values. In addition, in recent years, new structures have been developed. Governance and supervision became international, with four continental supervisory boards and an international supervisory board at the global level. Through the establishment of a Board of Directors consisting of the directors from the nine regional centres on five continents, leadership has become a collective responsibility. From now on responsibilities are shared by people with different cultural, political and religious backgrounds.

GLOBAL RESPONSIBILITIES

But perhaps the most important change was the fact that during this period of change Solidaridad has grown considerably – from 30 staff in the Netherlands to over 175 staff located all over the world. Our new vision and mission had to express the commitment and views of these new and culturally diverse staff. It had to connect people working in different regions, in their own context and with their own ambitions. And what's more, Solidaridad had undergone a rapid process of change in terms of strategy and practices. Most of these changes and developments had been written down somewhere, but we lacked a summary document, a document which we could use both to create internal consensus and for external communication with the rest of the world.

BROAD DISCUSSIONS

The road towards a new vision and mission began with a series of interviews with key people within Solidaridad worldwide. How do they see the network? What does Solidaridad stand for in their view? From these interviews, a common characterisation emerged of what drives us. The outcome has been summarized as *effective idealism*: we are an organisation with ideals that we want to transform into effective action, leading to results that matter for people around the world.

We have discussed our mission as well as our underlying values, exploring questions such as who are we? Or perhaps more precisely, who do we want to be?

Our character and style was described as down-to-earth, reliable, a leader, independent and confident. And we wish to be perceived as passionate, focused, open-minded and cooperative. The most intensive discussions related to our vision

of the world and our analysis of crucial problems. Also about where we are now and where we want to be in the future. These discussions took place in Dhaka in Bangladesh, Antigua in Guatemala, Johannesburg in Africa and in Utrecht in the Netherlands.

FOOD SECURITY AND FOSSIL FUELS

In our new vision statement a close connection is made between creating food security for the 9 billion people on the planet in 2050 and the end of the era of fossil fuels and the need for a transition towards a bio-based economy. In this way, an issue that is primarily related to hunger and undernourishment is linked to the very basis of modern industrial society. Food and raw materials both need to be produced by farmers. This is possible only by optimising production and making it sustainable. As a result, the old model for development aid has become obsolete. The new focus is on international cooperation in order to jointly solve each other's problems.

Our new vision provides a clear analysis of the problem and an attempt to arrive at a solution; and our mission statement contains a well-defined role for Solidaridad. This includes the decision to form an international network organisation, a learning organisation with the potential to have a real impact, as well as the role of transition manager, engaging with companies and governments.

Solidaridad has a distinctive responsibility in its role as a civil society organisation determined to organise market processes in a way that will result in socially and ecologically desirable outcomes. We have a vision of ending poverty, creating opportunities for people, greater prosperity, ending oppression and ensuring that natural resources remain available for future generations.

The description of Solidaridad as 'an organisation for international cooperation that derives its inspiration from the vision, values and capacities of people from all over the world' will guide us for the decades ahead. Dutch influence is no longer dominant; the search for a new way of relating to each other has begun.

VISION

Solidaridad envisions a world where the people who produce the resources on which we all depend can contribute to change that matters. Change that leads to prosperity for all, without harming each other or the environment, and therefore helps to ensure that resources will continue to sustain us for generations to come.

Today, the world economy is not organized in a sustainable way. Many of us now realise that an unsustainable way of life threatens food security, the planet and businesses.

Many of us now realise that an unsustainable way of life threatens food security, the planet and businesses.

With a world population projected to grow to 9 billion people by 2050 we can only be fed if the agricultural sector makes a transition to smart and sustainable land use. And as fossil fuel use becomes increasingly problematic, a transition to a bio-based economy is needed. Farmers worldwide therefore have a bright future as providers of food and suppliers of renewable energy and raw materials. They link as never before the issues of food security for developing countries and prosperity for the world as a whole.

There is one agenda, one challenge. We have to produce more with less, and ensure that it is done in a way that sustains people and the environment. Optimising land use is a good start. Increased production must meet growing demand, but with fewer negative consequences for people and the environment. More efficient production must be coupled with less pollution. There must be greater precision in the use of fertilisers and pesticides, and a reduction in water and energy use. Then waste becomes a thing of the past. Losses in the supply chain are reduced. Forests are no longer cut down and additional land is no longer needed because the existing agricultural land is being used more efficiently.

There is one agenda, one challenge. We have to produce more with less, and ensure that it is done in a way that sustains people and the environment.

An inclusive economy – one in which people can participate fully – is needed. It should start with recognition of the potential of smallholder farmers and women, who are often the leading drivers of sustainable change. It will respect workers' rights, provide a safe and healthy workplace, and support a living income for farmers and workers.

For children, school is the best place to work. Mining and industry need to switch to a responsible means of production. Worker rights must be respected and the environment needs to be preserved for future generations, keeping its potential intact.

The change we seek is a market process that is driven by the private sector. However, civil society organisations and governments play an essential role in enabling and encouraging the process of change. In this process, Solidaridad is a transition manager. It backs farmers who are economically poor but have rich potential, entrepreneurial men and women, and workers who want to build their livelihoods on a fair income. Solidaridad works together with partners throughout the supply chain, so that everyone can be involved creating change that matters.

MISSION

Solidaridad is an international network organisation with partners all over the world. There is one agenda and one strategy: together we learn and progress, together we achieve results, and together we decide on future steps.

Solidaridad is an organisation for international cooperation that draws inspiration from the vision, values and capacities of people all over the world.

Solidaridad is a transition manager, focusing on producer support, a sustainable supply chain and market development. We partner with those who want to make a difference by changing business practices from being part of the problem to becoming part of the solution. Markets have to work for the poor and companies can be the key change makers.

Solidaridad is a transition manager, focusing on producer support, a sustainable supply chain and market development.

Solidaridad's aim is to make an impact by being the best in building partnerships, piloting and scaling up programmes, and learning and innovation.

Without a dream there is no first step. At the beginning there are no paved roads; simply by starting to walk, a path is created. Knowledge and values are needed. Skilled and motivated people are our capital. We are realists with a mission. We turn shared vision into meaningful impact in communities.

FROM A SHARED VISION TO CHANGE THAT MATTERS

IMPROVING RATHER THAN PROVING

The past year was an exciting one for Planning Monitoring and Evaluation (PME). We have now moved decisively away from single programme management towards a horizontal, learning agenda that focuses on improving rather than proving results. This new approach will involve all regional expertise centres.

LEARNING NETWORK

In 2012 a shared learning vision was adopted that incorporates new ways to improve organisational performance (see Figure 1).

RESULTS-BASED TOOLS

Firstly, we have chosen Results-Based Management (RBM) – an impact-driven planning, monitoring and evaluation methodology that is based on principles established by the Donor Committee on Enterprise Development (DCED). At its core is a Theory of Change, which focuses on sustainable interventions (see Figures 1 and 2). This new approach will help us further improve the quality and management of our programmes and better communicate our strategies and results (see Figure 2).

The Farmer Support programme, which is currently used for five commodities network-wide, was the first to adopt RBM and by the end of 2013 it is expected that all commodity programmes will have done so. Our partners are also encouraged to work with RBM. For example, the Dutch sustainable training initiative IDH is adopting it in parallel with our initiative.

MAKING OUR PROMISE A REALITY

Secondly, a new web-based Programme Management Information System (PROMIS), which was developed in 2011, was rolled out network-wide in 2012. We have now reached a crucial milestone in improving our programme cycle management. This system helps us to centralize management information – including financial information and project results – storing it and sharing it throughout the network, allowing

us to monitor progress more efficiently. In 2013, the three founding fathers of PROMIS: Solidaridad, HIVOS and electronic government foundation ICTU will set up a formal platform, allowing us and other organisations that adopt PROMIS to share experiences and further co-develop the software.

LEARNING FROM EACH OTHER

Thirdly, supported by the Dutch capacity-building organisation PSO, network-wide learning has been enhanced, resulting in shared visions between regions and programmes, as well as support from management in terms of manpower and investments in PME and communication. A Wageningen UR model identifies a shared vision, competences and management support as critical success factors. Another key factor – creating a learning culture – presents a challenge in terms of aligning knowledge networks programme wide.

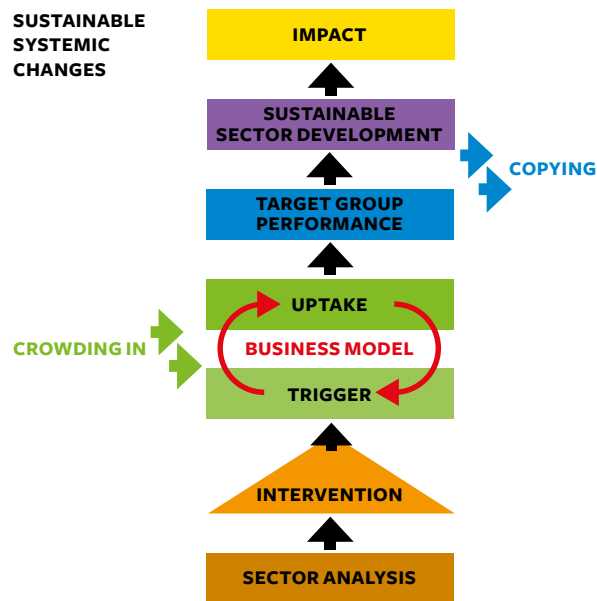
EVALUATING OUR LEARNING NETWORK

In 2012 PSO commissioned an external evaluation to identify lessons learned and assess its own contribution to developing a learning network. PSO has enabled people to meet face to face and thus speed up the development of the network. The Learning Work Trajectory, which ran from 2010 to 2012, encouraged co-development and exchange of tools across programmes and between regions. Findings from the evaluation show that co-development of tools by regions is challenged by cultural differences and that in exchanging practices it is useful to identify constraints and inspire colleagues to align objectives and strategies. Linking this programme to overall network development and adjusting it to meet demand wherever it is strongest are considered to be key.

Figure 1: Why do we learn?



Figure 2. The Solidaridad result chain



Sustainable impact on livelihoods, future perspectives, the environment and economy are ultimate goals.

Sustainable sector development covers sector-wide growth of economic, social and environmental sustainable practices and reduction of bad practices.

Target group performance is a change that takes place as a result of adopted new practices such as increasing yields, reducing pesticide use and higher returns on investment.

Trigger, and the reaction to it, **uptake**, are combined in a business model for the target group. Triggers can be, for example, train, sell, build. Uptake can be buy, use, apply.

The intervention by Solidaridad or a partner of Solidaridad initiates the change.

Sector analysis is an assessment of the target groups and issues in the sector. It identifies key constraints and key actors who can be involved in change.

REVIEWING THE TEA PROGRAMME

In 2012, LEI at Wageningen UR completed a mid-term review of the Solidaridad/Utz tea programme in Kenya and Malawi. The aim of the review was to gain insights into the mid-term results of the programme. The lessons learned will be taken into account when further developing the tea programmes in Kenya and Malawi and shared with other tea regions.

EVALUATING THE COCOA PROGRAMME

In mid-2012, Solidaridad, Utz Certified and IDH jointly started a qualitative mid-term evaluation in order to be able to tell the story of their joint Cocoa Improvement Programme from the perspective of stakeholders. This holistic programme, which was organized by Solidaridad, IDH and Utz Certified, is designed to transform the cocoa market in the direction of sustainable change.

Between June and December 2012 KPMG interviewed ten internal and external stakeholders in the cocoa sector, ranging from producer cooperatives, extension services and government representatives in producer countries to traders and manufacturers in Europe. Their final report is expected in spring 2013.

The lessons learned from a review of the Solidaridad/ Utz tea programme in Kenya and Malawi will be taken into account when further developing the tea programmes.



A NEW TRIPLE-A FOOD SECURITY STRATEGY

Achieving ‘food security for all’ involves tackling a number of interrelated challenges. Solidaridad has developed a comprehensive Triple-A strategy to make this possible. Triple A refers to interventions related to the *Availability, Affordability* and *Accessibility* of food.

The rural parts of the world face profound challenges. This is where around three-quarters of the world’s poorest people live and face challenging conditions. These include increasingly limited resources (especially water and land) and migration of younger people to urban areas. Yet, it will be necessary to intensify agricultural production in order to feed a third more people worldwide in the coming decades. We will need to preserve the ecosystem that agriculture has played a part in degrading and to be able to offer communities that deep sense of rootedness which is so valuable to society.

To do this, however, farmers cannot continue producing in the same way. Smart, sustainable land use is the way to go. Solidaridad believes that small and medium-sized farmers – including women – should be the primary focus of investment, recognizing that private enterprise will play an important role in many solutions.

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AVAILABILITY

We have to define our goals in terms of human nutrition rather than simply ‘more production’. But both volume and quality are important. Sufficient nutritious food must be made available to meet the needs of a projected global population of 9 billion people in 2050, who will expect more nutritious food. It is anticipated that production of the major agricultural commodities will need to be increased by 70% to 100% in the next few decades. To achieve this there is simply no other option than optimizing land use in areas already under cultivation as well as in degraded areas. There is hardly any space for expansion because of the potential impact on biodiversity. More efficient production must be combined with significantly less waste throughout the food chain and fewer negative consequences for people and the environment. Maximising agricultural production by combining smart land use and crop selection with increased soil fertility, and adapting to changing climate conditions and reduced availability of water requires rationale choices and good governance. Optimal institutions are essential for success.

AFFORDABILITY

In a market economy farmers can only address the urgent need for food if consumers have purchasing power. Farmers

cannot produce for hungry people who are unable to pay for the food they need. If these issues are not addressed, production will focus exclusively on the rich of the world, leading to a combination of growing obesity in some parts of the world with hunger in others. There is a rise of the consumption of ‘empty’ calories (food of low nutritional value) in many developing countries alongside a dramatic increase in clinically overweight people in industrial economies. Nutritional food must be affordable for the majority, given the fact that 80% of the world’s population have an income of less than 10 dollars a day. At the same time, food prices must reflect the real costs of agricultural production, including the social and ecological costs. Solidaridad sees this as the core challenge for an effective strategy to provide sustainable, low-cost food. The costs of introducing sustainability must be compensated by higher yields and better nutrition, resulting in healthier food and lower transaction costs. This requires nothing less than a technological revolution, making use of all of the scientific research available, including biotechnology.

ACCESSIBILITY

Agricultural products cannot always be produced close to where people live. Due to rapid urbanization most people now live in cities. Countries such as China, which cannot feed their own population because of a shortage of arable land, will become the main importers of food. Effective distribution is the key to bridging the gap between areas where food is produced and where it is consumed. One third of all food produced in the world gets lost or wasted. Effective organisation of the supply chain, including well-developed retail structures, will be decisive in ensuring access to food in all parts of the world.

Solidaridad believes that small and medium-sized farmers – including women – should be the primary focus of investment, recognizing that private enterprise will play an important role in many solutions.



FOOD SECURITY PROGRAMME IN BANGLADESH

In Bangladesh Solidaridad and Care Bangladesh are pioneering the Sustainable Agriculture, Food security and Linkages programme (SAFaL), which will address 200,000 farmers' agricultural challenges. It will increase the availability of affordable, nutritious food and comply with food companies' quality and sustainability requirements. It is funded by the Dutch government and will provide a strong contribution to the Dutch Embassy's food security programme.

SAFaL will involve working with international food companies to create export market access for Bangladeshi shrimp farmers and giving farmers a strong incentive to improve the quality of their produce and introduce sustainable practices. This in turn will boost their income. Professional small-scale farmers who earn a good living can thus make an essential contribution to solving the problems that plague the shrimp sector.

Solidaridad will also work with fish farmers. Local prices for farmed *Pangasius* and *Tilapia* are good, but quality is low. We will therefore help farmers to increase productivity and quality, so that local access to safe, healthy and nutritious fish products can be improved.

To achieve this, we will work closely with local supply-chain stakeholders, such as processors and transporters, as well as retailers in key markets. Together we will invest in efficiency and quality so that more value is added to the local economy, waste is reduced, and the availability and affordability of nutritious and safe food is increased.

Solidaridad and Care Bangladesh will involve working with international food companies to create export market access for Bangladeshi shrimp farmers and giving farmers a strong incentive to improve the quality of their produce.

These chain-wide investments will be a first step towards meeting international standards, so improving the quality of farmed fish for local consumption will also help the entire sector to increase its export potential.

A key component of the SAFaL programme's strategy is the Village Supermarket (VSM). The VSM is a unique marketplace concept linking agro-food chains in South West Bangladesh, serving as a marketplace, service centre and business hub, providing market information and knowledge exchange. As a market it serves local consumers, traders and exporters as well as farming professionals looking for inputs and technical support. It will also provide crucial cooling, icing and storage infrastructure to supply-chain stakeholders. By bundling these crucial functions under one roof, VSMs will increase efficiency and reduce waste in supply chains and thus contribute to the availability, accessibility and affordability of nutritious foods.

For more information about the aquaculture, dairy and horticulture initiatives of the SAFaL programme, as well as the VSM, please contact Selim Reza Hasan (selim@solidaridadnetwork.org).

MORE AMBITIOUS FARMER SUPPORT

In 2012 Solidaridad reviewed its producer support programmes. Monitoring and evaluation had revealed some critical issues, which gave rise to this review. Maximising production in small-scale farming clearly has its limitations.

CERTIFYING POVERTY IS NO SOLUTION

One important lesson learned is the relatively limited impact of the producer support programmes on effectively improving smallholder farmers' income. The general picture in coffee, tea and cocoa production is that the best performing smallholders (0.2 - 5.0 ha) with an average of 2.5 hectares manage to raise their income through smart and sustainable land use practices from the historical low range of US\$ 240 to 800 per year to US\$ 2,400 to 3,200 per year. Although this means a significant change – improving liveli-

hoods for farmers and their families – their lives are still poor. To be frank, with an income of less than US\$ 10 a day, this is merely a step from extreme poverty to poverty. It confirms an often-quoted criticism of *fair trade* that, in spite of good intentions and concrete improvements for farmers, the reality for most small-scale farmers is a shift from poverty to *certified poverty*. However, in the banana, palm-oil and sugarcane sectors we have seen many smallholders improve their income and livelihoods significantly.

Maximising production in small-scale farming using the concept of 'more with less' clearly has its limitations. A single approach *on-farm* programme is not sufficient to guarantee structural changes. If we really wish to create new conditions for farming, other issues, such as increasing the scale of production, farm organisation, processing, new technolo-

Re-allotment and spatial planning by local government could accelerate the process of up-scaling.

Photo: H.P. Alting von Geusau



gies and supply chain development are crucial. A more robust agricultural infrastructure and better perspectives for a viable income for farmers – as well as living wages for agricultural workers – are also needed.

CREATE ECONOMIES OF SCALE

While Solidaridad is sensitive to land ownership issues in developing countries, scale is decisive. In many cases laws of succession split farms into even smaller plots. Entrepreneurial farmers must have the opportunity to buy land from less successful neighbouring farmers to create economies of scale. These changes should be accompanied by rural and agri-business development and the creation of employment for those who are no longer on the land. Re-allotment and spatial planning by local government could accelerate the process of up-scaling.

OFF-FARM ACTIVITIES

A second lesson learned is related to the external effects of farming on climate and biodiversity. An *off-farm* programme is needed to address these issues more effectively. Management of high conservation values to protect biodiversity areas requires the development of tools to help the agricultural sector take this responsibility. Carbon stock management for the reduction of greenhouse gases and payments for ecosystem services can contribute to the mitigation of emissions. For these purposes Solidaridad tested and improved the *Cool Farm Tool*.

In spite of these initiatives it's important to remain realistic about the mitigation versus adaptation agenda. It is unlikely




that the global community will limit global warming to the agreed level of 2 degrees Celsius. The Carbon Tracker initiative calculates the amount of carbon contained in proven fossil fuel reserves (i.e. the carbon stored in reserves that are ready to be used). According to these calculations, just one fifth of this amount is enough to increase temperatures by 2 degrees. So, in order to be safe, 80% of those reserves should remain under ground. Since this would mean writing off US\$ 20 trillion in assets, this is clearly not going to happen. There is simply too much money involved. So, in order to make agriculture future-proof, a sharper focus on adapting agricultural practices to the consequences of rapid climate change is necessary.

SPATIAL PLANNING AND RESOLUTION OF CONFLICTS

A third pillar that needs to be included in the transition towards a more sustainable agricultural sector (with the full participation of smallholders) is related to policy development and institution building. The creation of an *enabling environment* by governments, financial and legal institutions is urgently needed. Sustainable landscaping and spatial planning are crucial instruments for organising effective use of scarce resources. More optimal use of water is also needed. Pressure on limited resources will increase the chances of conflict. Prevention and resolution of conflict and access to justice are indispensable.

The coherence of the three-pillar approach reflects the unique contribution which a civil society organisation such as Solidaridad can make, linking the business community, governments and civil society.

Producer support programme for smart, sustainable land and water use

On Farm	Off Farm	Enabling environment
		
Producer development starting from the direct benefits for farmers	Corporate social responsibility in the supply chain	Policy development and institution building
More with less	Markets work for sustainability	Society works for sustainability
Economic issues: <ul style="list-style-type: none"> • Productivity • Quality • Efficiency Social issues: <ul style="list-style-type: none"> • Inclusion of small size farmers • Inclusion of women • Exclusion of child labour • Labour rights • Healthy and safe workplace • Living income /wage Environmental issues: <ul style="list-style-type: none"> • Reduction of: <ul style="list-style-type: none"> - Water use - Energy • Lower, more precise use of: <ul style="list-style-type: none"> - Fertilizers - Pesticides • Waste management and reuse • Soil fertility 	<ul style="list-style-type: none"> • Farmer organisation and capacity building • Supply chain development and marketing • Access to finance through agri-credits and equity • Management of high conservation values to protect biodiversity • Carbon stock management for the reduction of greenhouse gases • Payments for ecosystem services 	<ul style="list-style-type: none"> • Land use and watershed planning • Sustainable landscaping and spatial planning • Policy development on legal issues, institutions, taxes and laws of succession • Integration of sustainability in public sector, private institutions, finance and investment policies • Voluntary regulation through multi-stakeholder governance system • Conflict prevention, resolution and access to justice • Change international trade policies



PRODUCT GROUPS

- **FINANCE AND RESULTS COMMODITY PROGRAMMES**
Global investments and producer support
- **COFFEE**
Fundraising leads to new projects
- **TEA**
Mainstreaming sustainability across Asia
- **COCOA**
Scaling up cocoa production in West Africa
- **FRUIT AND VEGETABLES**
Sustainable juice and food security
- **COTTON**
Better Cotton projects have a visible impact
- **TEXTILES**
All set for a major scale-up in 2013
- **GOLD**
Rising profile for Fairtrade gold
- **SOY**
First projects in China and Mozambique
- **PALM OIL**
Global programme starts to bear fruit
- **SUGAR CANE**
Important step as ethanol reaches Europe
- **LIVESTOCK**
First activities in the livestock programme

GLOBAL INVESTMENTS AND PRODUCER SUPPORT

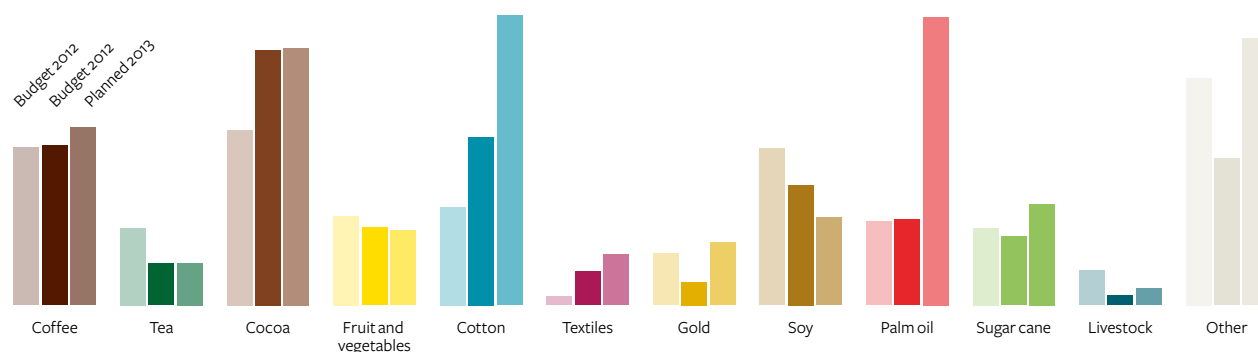
Solidaridad develops globally coordinated sector-wide commodity programmes. This global sector strategy, which is rooted in regional activities and expertise, has led to higher investments and better results. This chapter, which provides thorough information about the development of all Solidaridad sector programmes, starts with a global overview of investments and producers supported.

Direct investments of €16 million were made in eleven commodity programmes, of which coffee, cocoa, soy and palm oil were the largest. Investments in coffee were in line with the budget. Investments in cocoa exceeded the budget by €1.1 million, mainly due to activities in Ivory Coast and Nigeria, which were managed from the Solidaridad office in Ghana. Investments in soy were €0.5 million lower than budget.

Partner contributions are crucial for developing effective sector programmes. Such contributions include time, knowledge, skills, trade conditions and investments. Solidaridad raised €8.8 million of partner investments in the Millennium Agreement producer support programme (2009-2012) and hopes to raise another €39 million in the follow-up Farmer Support Programme (see also

In terms of the numbers of farmers, workers and miners supported by Solidaridad, the coffee, cotton and cocoa programmes are the most extensive. The results shown on page 21 provide an initial idea of the impact of the programmes, since they include activities along the production-consumption chain.

SOLIDARIDAD NETWORK PROGRAMME INVESTMENTS

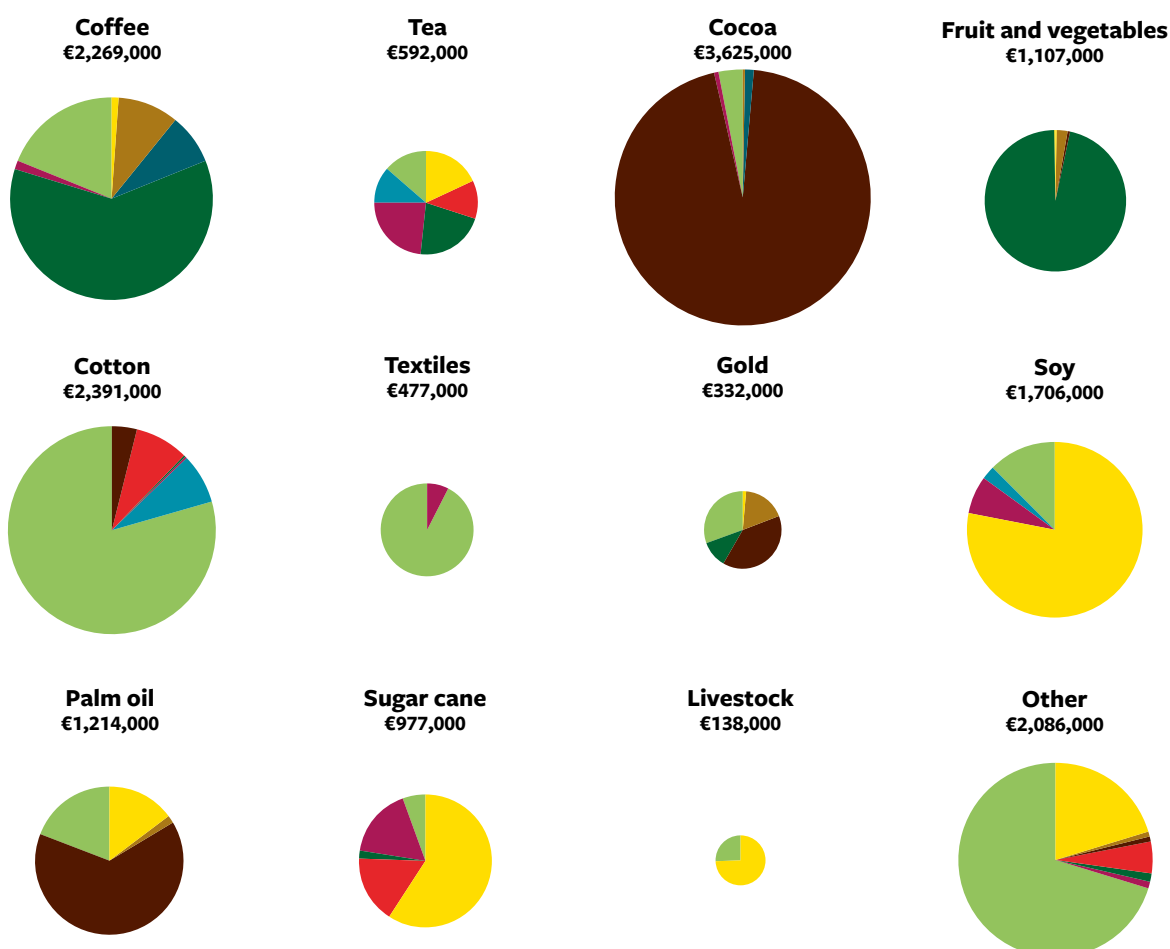


	Budget 2012	Actual 2012	Planned 2013
Coffee	2,238,000	2,269,000	2,525,000
Tea	1,097,000	592,000	601,000
Cocoa	2,488,000	3,625,000	3,651,000
Fruit and vegetables	1,266,000	1,107,000	1,059,000
Cotton	1,396,000	2,391,000	4,115,000
Textiles	127,000	477,000	723,000
Gold	736,000	332,000	894,000
Soy	2,226,000	1,706,000	1,243,000
Palm oil	1,187,000	1,214,000	4,095,000
Sugar cane	1095,000	977,000	1,440,000
Livestock	492,000	138,000	239,000
Other	3,226,000	2,086,000	3,789,000
Total programme investments*	€17,575,000	€16,914,000	€24,375,000

* HRM and office costs excluded

ACTUAL PROGRAMME BUDGET 2012 PER REGION

Colors refer to regions; see the bullets in the table below



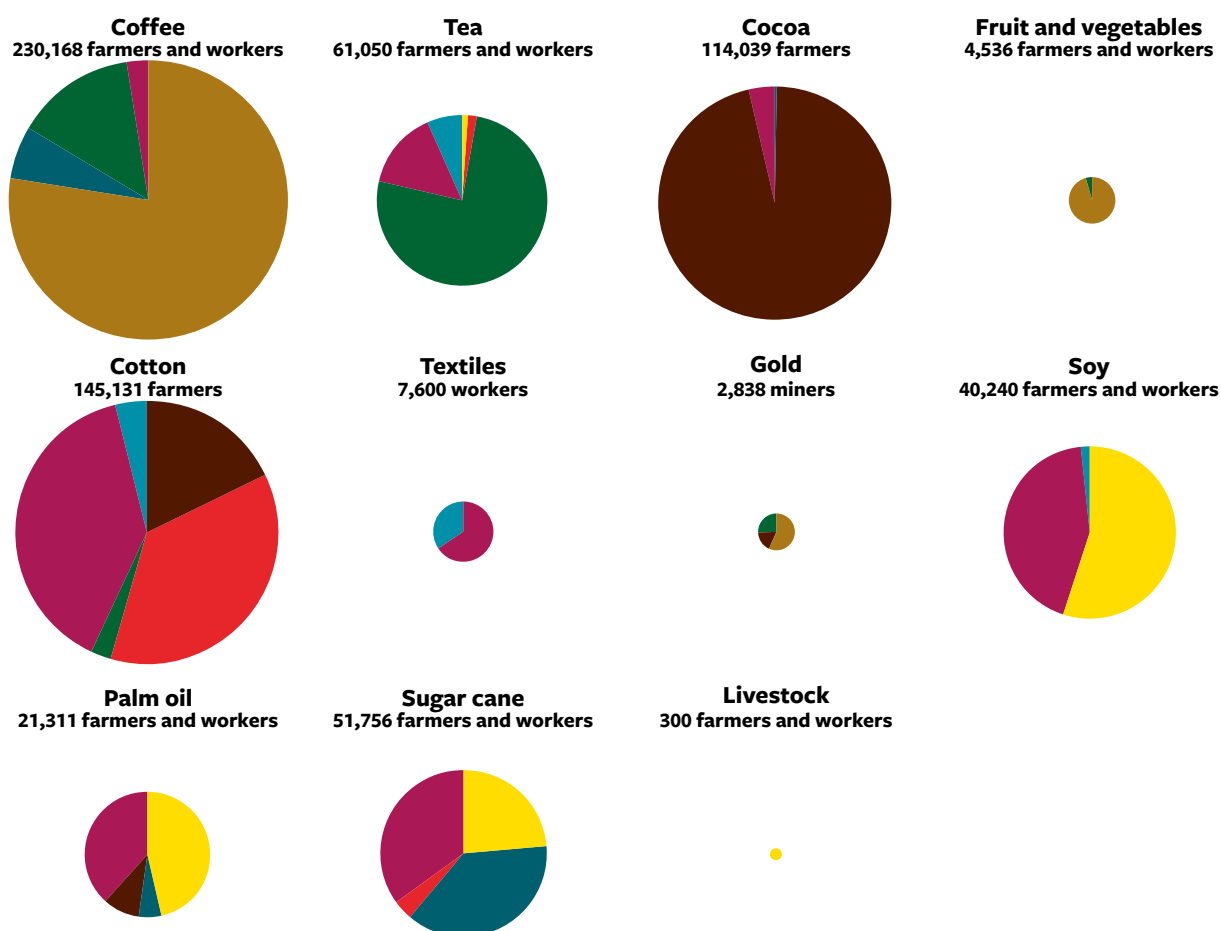
ACTUAL BUDGETS 2012 PER COMMODITY AND PER REGION (IN EUROS)

	Solidaridad South America	Solidaridad Andes	Solidaridad Central America	Solidaridad West Africa	Solidaridad Southern Africa	Solidaridad Eastern and Central Africa	Solidaridad South and South-East Asia	Solidaridad China	Solidaridad the Netherlands*	Total
Coffee	29,000	221,000	181,000	0	0	1,381,000	31,000	0	426,000	2,269,000
Tea	107,000	0	0	0	71,000	129,000	138,000	67,000	80,000	592,000
Cocoa	8,000	5,000	40,000	3,446,000	0	0	20,000	0	106,000	3,625,000
Fruit and vegetables	4,000	29,000	0	6,000	0	1,066,000	0	0	2,000	1,107,000
Cotton	0	0	0	94,000	200,000	7,000	11,000	181,000	1,898,000	2,391,000
Textiles	0	0	0	0	0	0	36,000	0	441,000	477,000
Gold	5,000	59,000	0	130,000	0	37,000	0	0	101,000	332,000
Soy	1,334,000	0	0	0	0	0	119,000	40,000	213,000	1,706,000
Palm oil	179,000	20,000	0	784,000	0	0	0	0	231,000	1,214,000
Sugar cane	579,000	0	0	0	160,000	19,000	165,000	0	54,000	977,000
Livestock	103,000	0	0	0	0	0	0	0	35,000	138,000
Other	424,000	19,000	0	15,000	111,000	32,000	24,000	0	1,462,000	2,086,000

* The figures of Solidaridad the Netherlands exclude direct contributions to other Solidaridad expertise centres. They include some activities on other continents like the cotton programme in India and Africa that was managed from the Netherlands.

PRODUCERS SUPPORTED PER PROGRAMME AND PER REGION

Colors refer to regions; see the bullets in the table below



Number of producers (farmers, workers or miners) supported

Producers in:	Solidaridad South America	Solidaridad Andes	Solidaridad Central America	Solidaridad West Africa	Solidaridad Southern Africa	Solidaridad Eastern and Central Africa	Solidaridad South and South-East Asia	Solidaridad China	Total
Coffee (farmers and workers)		127,206	9,653			89,137	4,172		230,168
Tea (farmers and workers)	700				1,156	46,215	8,979	4,000	61,050
Cocoa (farmers)			409	109,630			4,000		114,039
Fruit and vegetables (farmers and workers)		4,336				200			4,536
Cotton (farmers)	50	41		26,054	53,051	3,600	56,857	5,478	145,131
Textiles (workers)							5,000	2,600	7,600
Gold (miners)		1,613		500		725			2,838
Soy (farmers and workers)	12,240						27,000	1,000	40,240
Palm oil (farmers and workers)	3,185	522	1,912	3,118			12,574		21,311
Sugar cane (farmers and workers)	3,599		21,834		2,169		24,154		51,756
Livestock (farmers and workers)	300								300
Total	20,074	133,718	33,808	139,302	56,376	139,877	142,736	13,078	678,969

PARTNER CONTRIBUTIONS FOR PRODUCER SUPPORT

From 2009 through 2012 Solidaridad Network, WWF US and the Roundtables for palm oil (RSPO), soy (RTRS) and sugar cane (Bonsucro) carried out a broad producer support programme with a number of companies. This programme resulted from the 'Millennium Agreement' of the Dutch Ministry of Foreign Affairs, which funded this €4.8 million programme.

The partner contributions, both from private and public sources, have increased from €700,000 in 2009 to over €4.7 million in 2012. In the period 2009-2012, the programme attracted over €8.8 million of additional funding from partners, increasing the total programme budget to €13.6 million.

A large number of brands and companies have been linked to the activities of the programme:

- In **palm oil**: New Britain Palm Oil (Papua New Guinea), Grupo Daabon (Colombia), Agropalma (Brazil) Johnson & Johnson, Cono Kaasmakers and Ben&Jerry's.
- In **soy**: Gebana (Brazil), APDC (Brazil), a dozen cooperatives in India, S.D. Tata Trust, FrieslandCampina, Keurslagers (the Netherlands), Cono Kaasmakers (the Netherlands), Unilever, Arla, Interchicken and IFC.
- In **sugar cane**: EID Perry (India) and producer groups in Malawi, Honduras and Pakistan, Suiker Unie and Delicia from the Netherlands

The programme was carried out by local partners and managed by Solidaridad South America, Central America,

Southern Africa and South and South-East Asia. In 2012 alone, over 48,500 small-scale farmers were supported in implementing better management practices and more than 12,000 farm workers were made aware of their rights in terms of Roundtable standards. Together with partners, Solidaridad worked in 11 countries: Brazil, India, Honduras, Colombia, Belize, Ghana, Malaysia, Pakistan, Indonesia, Malawi and South Africa.

In 2012 alone, over 48,500 small-scale farmers were supported in implementing better management practices and more than 12,000 farm workers were made aware of their rights in terms of Roundtable standards.

Solidaridad has been able to continue and upscale its activities in the Farmer Support Programme, thanks to initial funding worth €29.5 million. Our ambitious aim is to attract another €39 million of partner contributions from public and private sources and thus create one of the largest public-private partnerships in development cooperation. Through this programme the partnerships with the Roundtables will continue until 2015. Other aspects of the Millennium Agreement include new programmes with IDH, NORAD, the Dutch Embassies and the Sharp initiative (with Sime Darby, IFC, IDH and ProForest).

The producer support programme will be evaluated in 2013.

PRODUCER SUPPORT INVESTMENTS Millennium Agreement (2009-2012)

Initial funding: €4.8 million



Partner contribution: €8.8 million



Total €13.6 million



PRODUCER SUPPORT INVESTMENTS Farmer Support Programme (2011-2015)

Initial funding: €29.5 million



Expected partner contribution: €39 million



Expected total: €68.5 million





SUCCESS LEADS TO NEW PROJECTS

Innovation and fundraising was a priority in 2012, as several projects came to an end and the main programme, which is funded by Irish Aid, will end in 2013. New projects include Climate Smart Agriculture in Mexico, Peru and Colombia; Food Security in Ethiopia and Kenya; and a sustainable coffee programme in Colombia.

PROGRAMME SETTING

For most of the world's 25 million smallholder coffee producers, farming is no longer an attractive or sustainable business using traditional practices. There's an urgent need to produce more and better quality coffee with fewer negative impacts on people and the environment. Solidaridad provides farmers with practical solutions which make them more resilient to climate change and food insecurity. Solidaridad also develops viable business cases for small-scale producers in collaboration with the private sector. Farmers need economic incentives to improve their agricultural practices and certification can play a role in this. To motivate farmers to change to sustainable practices, the best approach is to start with those aspects that will deliver fast visible results, such as reducing losses during harvesting.

PROGRESS

The main projects are Irish Aid-funded projects in Central America and East Africa. Both focus on farmer support through training and include market linkage, access to finance and special attention to the role of women. The approval of new proposals has led to four new projects:

1. Bringing agricultural insights to those engaged in mitigating climate change through REDD+. This project focuses on Climate-Smart Agriculture in coffee production in Mexico, Colombia and Peru. It should lead to higher productivity and incomes, better carbon performance and enhanced resilience to climate change.
2. A food security/rural development programme in East Africa, together with farmer organisations, the Kenyan coffee research institute and the coffee companies Nestlé, ECOM and Armajaro. The goal here is to improve farmers' resilience by combining coffee as a cash crop with intercropping of a selection of food crops for farmers' own consumption and for sale on local markets. This should lead to more stable incomes for the farmers throughout the year, access to more nutritious food, and increased availability of food on local markets.
3. Solidaridad is bringing Colombian stakeholders in coffee, bananas, flowers and palm oil in a platform together to work towards more sustainable production and to increase trade with the Netherlands. Solidaridad will facilitate and support the convening platform, which is financially supported by the Dutch Embassy in Colombia.
4. Solidaridad is an official partner with Armajaro and ECOM in the Deutsche Investitions- und Entwicklungsgesellschaft

(DEG) programme in Kenya and Tanzania, which is funded by the Bill & Melinda Gates Foundation in collaboration with Hivos.

The Program of Sustainable Quality (PROCASO) in Honduras matured in 2012 from a donor-supported technical assistance programme run by Solidaridad and SNV into a service organisation that works directly with coffee exporters and cooperatives on certification, professionalising supply chains and making them more sustainable.

In Peru an education programme (Good Agricultural Coffee Practices) started at four colleges. The students practice the new techniques on their parents' farms, resulting in high adaptation rates of sustainable techniques. The local government is exploring ways to expand this programme to other colleges.

STRATEGIC PARTNERS

Nestlé can become a strategic partner for the Solidaridad coffee programme due its considerable influence on the coffee supply chain. Solidaridad is contributing to Nestlé's CSR strategy by delivering input for rural development and developing projects in countries where Nestlé sources coffee directly from producers.

To scale up its programmes Solidaridad works closely with the largest coffee traders, which train farmers such as ECOM, Armajaro and Volcafé. Farmers are supported in India, Vietnam, East Africa and Latin America. Solidaridad provides support for curriculum development, training of trainers in Good Agricultural Practices and cross-cutting issues such as the integration of women in supply chains in East Africa. Solidaridad also works closely with cooperatives, NGOs and coffee boards.

DONORS

The Irish Fair Trade Network supports Solidaridad financially (through a grant provided by Irish Aid) in implementing programmes in Nicaragua, Honduras, Guatemala, Ethiopia, Kenya, Tanzania and Uganda. This support started in 2006 and over 120,000 small-scale producers have already received support. In 2013 Solidaridad will apply for a new coffee programme in East Africa.

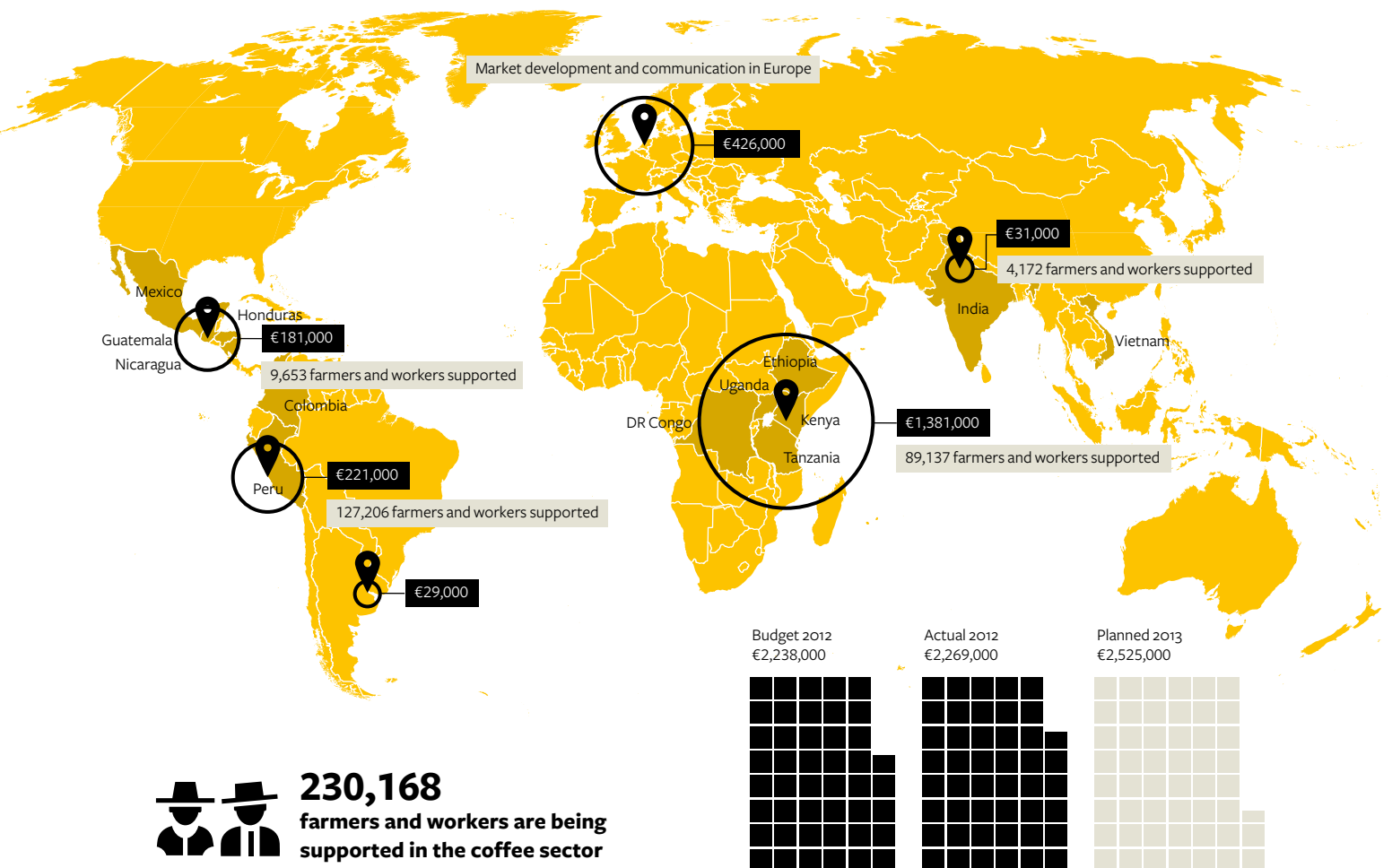
IMPACT

The Centre for International Development Issues Nijmegen (CIDIN) has been asked to carry out a four-year impact assessment of the farmer support programme in East Africa. Publication is expected in the summer of 2013.



Selective hand picking of only the ripe cherries, which is primarily done with the higher quality arabica beans. There's an urgent need to produce more and better quality coffee, with fewer negative impacts on people and the environment.

Photo: H.P. Altling von Geusau





MAINSTREAMING SUSTAINABILITY ACROSS ASIA

Asians consume 74% of all of the tea produced in the world. In 2012, Solidaridad initiated a programme funded by the Sustainable Trade Initiative (IDH) and Hindustan Unilever Limited designed to sustainably transform half of the tea produced in India. This programme will benefit over half a million smallholders and plantation workers.

CREATING A SUSTAINABLE SUPPLY FOR NEW MARKETS

In 2012, a Solidaridad-led consortium (together with Utz Certified and DE Foundation/D.E. Master Blenders 1753) completed a four-year-long intervention – the Tea Improvement Programme (TIP) – which was co-funded by the Sustainable Trade Initiative (IDH). The Utz standard has now been introduced in nine major tea producing regions, covering 63,765 MT of certified tea grown on 34,042 hectares. However, due to difficulties in getting certified, smallholders are often left out, so a key focus for the past three years has been on supporting 75,000 tea smallholders in improving their sustainability practices. The emphasis of the programme is now on large-scale rolling out of sustainability initiatives for all markets in order to sustainably transform the sector as a whole.

Solidaridad's agenda of domestic tea market transformation, which was initiated in Indonesia and China by establishing national sustainability standards has now been extended to India as well. These interventions in domestic markets have created a strong basis for further development in all three countries. For example, the Indonesian Teh Lestari standard is now well established. The plan is to cooperate with IDH – as well as tea businesses – to transform 50% of the smallholders in Indonesia. The China tea sustainability standard has been adopted by the China Tea Marketing Association and is being developed into a code. In India, as a follow-up to the TIP programme, a programme has been started with IDH and Hindustan Unilever Limited, which will sustainably transform 500 million kilograms (just over half of the tea produced in India and 20% of all the black tea in the world).

The five-year India Domestic Sustainable Tea Programme (2012-2016) started last year. Solidaridad is the implementing partner, targeting over 600 factories, half a million plantation workers and 40,000 smallholders. It includes the development and implementation of a tea sustainability code.

Teh Lestari – the world's first locally developed sustainability standard for tea – was formally registered as a not-for-profit foundation in Bandung, Indonesia. By the end of 2012, Solidaridad, together with its partner Business Watch Indonesia, had certified 11,653 smallholders under this standard, covering 6,575 hectares. This accounts for 18% of all certified tea in India.

LESSONS LEARNED

In a large-scale market intervention, it's better to align strategies with key businesses in the sector at the onset rather than adjusting mid-way. Also, to increase productivity through

certification, small farmers need to make large investments, which may not be repaid by the income they receive from the increased productivity. There's a need for local ownership of standards, as has been shown with the fast uptake of the Lestari standard in Indonesia and the potentially massive impact of the Indian and Chinese tea standards. Finally, it's crucial for Solidaridad to engage in tea trade policies and connect the sustainability discourse with crucial demand, supply, quality and price issues at the global level.

STRATEGIC PARTNERSHIPS

Solidaridad does not have global strategic partnerships with any of the major tea brands or retail companies. This is because of the approach taken until 2010, in which certification standards were leading in developing business relationships. However, there are country-specific partnerships with Hindustan Unilever Limited, whose Brook Bond brand is market leader in India – the world's largest black tea market – with Sari Wangi in Indonesia and with Sara Lee in Sri Lanka for its Pickwick brand.

DONORS

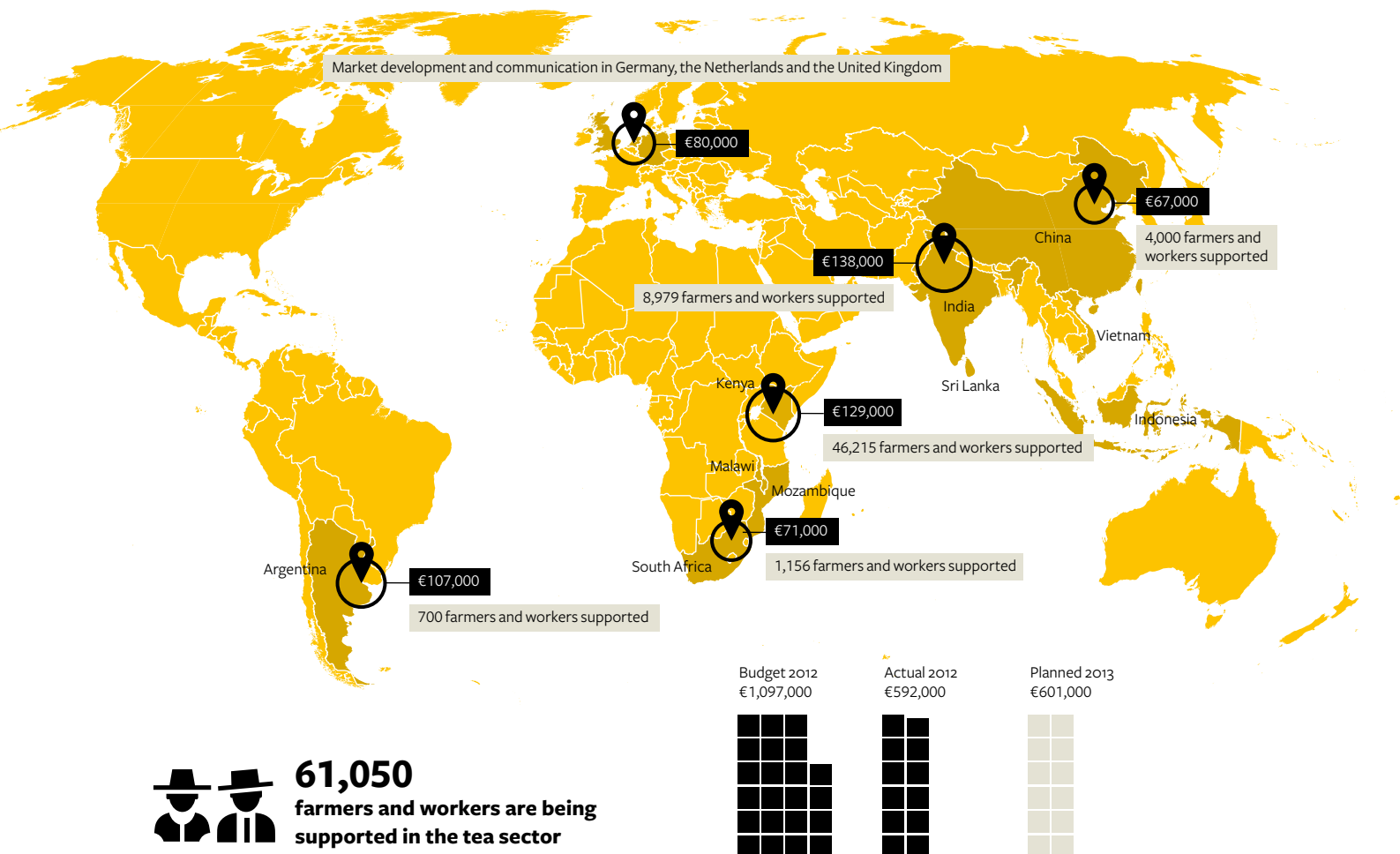
The Sustainable Trade Initiative-IDH, was the main sponsor for the Solidaridad-led consortium which coordinates the Tea Improvement Programme and one of the key funders of the India Domestic Sustainable Tea Programme, with matching funds from Hindustan Unilever Limited. DE Foundation/D.E. Master Blenders 1753 was one of the major co-sponsors of the Tea Improvement Programme. DE Foundation also supports Solidaridad's tea programme in Sri Lanka.

IMPACT

The Tea Improvement Programme has successfully assisted 82,691 tea smallholders and 36,409 plantation workers with social, economic and environmental issues (on 40,617 hectares). Of these trained groups, 46,134 smallholders were supported in achieving certification under various sustainability standards and most have increased their income by 12.3%. Together with Utz Certified and LEI, a long-term impact study was started in Kenya and Malawi in 2010. This showed that average sustainability scores have gone up, along with significant improvements in terms of health and safety and environmental issues.



Photo: Sjoerd Panhuysen





SCALING UP COCOA PRODUCTION IN WEST AFRICA

The most important development in 2012 was scaling up the programme in West Africa and developing programmes and consortia to increase productivity, rehabilitation and food security, while redressing the gender imbalance. The team in Indonesia strengthened the National Reference Group and was instrumental in developing the Indonesian Sustainable Cocoa Standard.

THE CONTEXT

Cocoa is mainly grown by 5 million smallholders in West Africa, Asia, Central and South America. Around 70% of all cocoa comes from West Africa. Many farmers are confronted with declining yields and lack access to technical knowhow and inputs. The annual increase in demand for cocoa is 3%. Companies can secure their supply through sustainability programmes developed in partnership with Solidaridad. By building supply chain partnerships involving producers, traders, brands, retailers and governments Solidaridad is supporting technology transfer, organisational development and makes sure that farmers get access to services and inputs.

PROGRESS

In 2012 Solidaridad more than doubled investments in its cocoa programme. It took the lead in training trainers in Nigeria and Ivory Coast in multiple certifications of unorganized farmers and this approach can be replicated elsewhere. The focus on smart and sustainable land use has led to cocoa development centres in Ivory Coast and the formation of a consortium of private sector partners with the government of Ghana for a cocoa rehabilitation programme in 2013. The focus on gender and food security in Ghana has led to women's groups being engaged in staple crop farming.

Solidaridad has further strengthened its relationship with the governments of Ghana, Nigeria and Ivory Coast. In Ghana the second National Stakeholder conference took place with support from companies and COCOBOD. The National Reference Group in Indonesia has developed a national standard and a platform for learning and exchange of information on sustainable cocoa production. In Vietnam the team played an active role in the National Vietnam Cocoa Council and developed training tools and programmes. The close collaboration with Mars in the Netherlands and West Africa led to a documentary on sustainable cocoa on National Geographic channel as part of the 'For the love of chocolate' campaign. This campaign reached a total of almost 16 million people and an advertising value of €1.3 million. Solidaridad is part of a consortium that is developing a European sustainability standard for cocoa.

Public-private partnerships made it possible to train more than 114,000 farmers in good agricultural, social and environmental practices. A programme on rehabilitation and cocoa nurseries started in Ivory Coast and a consortium of companies, CSOs and government was formed in Ghana for a large-scale intensification and rehabilitation programme in 2013.

LESSONS LEARNED

Building relationships with private sector partners takes longer than expected. Developing consortia and proposals for rehabilitation and a social agenda also takes time, as companies tend to focus on short-term results. Expansion of the programme, especially training farmers in Asia and Latin America, was not as successful as anticipated.

PARTNERSHIPS WITH COMPANIES

Solidaridad has formed new partnerships with many companies for programmes in West Africa. The relationship with Mars has been enhanced. As one of the biggest chocolate brands in the world, Mars is leading new thinking on cocoa sustainability. Programmes are being implemented in Ivory Coast and the company played an important role in strategy development for the intensification and rehabilitation programme in Ghana. The relationship with Cargill – one of the major global cocoa buying and processing companies – developed further in 2012. This included a programme on rehabilitation in Ivory Coast and a large-scale training programme in Ghana. Solidaridad and Cargill have signed a long-term agreement and commissioned external impact assessments in Ghana and Ivory Coast.

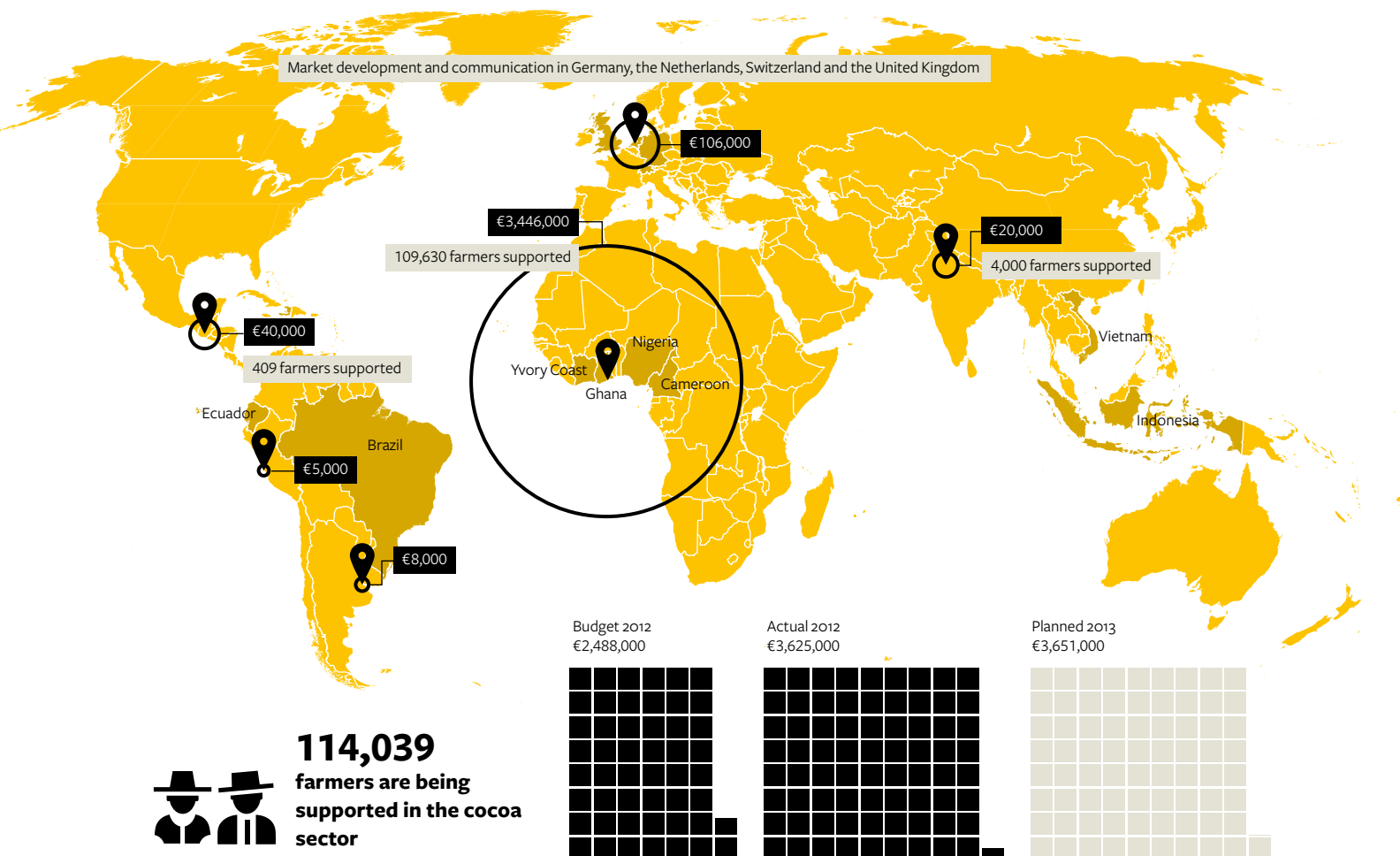
DONORS

World Cocoa Foundation (WCF) is supporting the programme on food security in Ghana. Numerous trading companies have pledged long-term support and lay the foundations for further intensification and rehabilitation in the years ahead.

IMPACT

A baseline assessment of the programme in Ghana was made by Wageningen University. Solidaridad and Cargill are doing the same exercise in Ivory Coast, but the results are not yet available. For all projects Solidaridad made a baseline assessment and mid-term project evaluations. A study by KPMG based on in-depth interviews with stakeholders measured the impact of the cocoa programme on market transformation (2008-2012). The main results are that 151,000 farmers were Utz certified and produced 414,000 tons of cocoa with an average 10% premium on prices. Stakeholders recognise Solidaridad's important contribution to the debate, investments in the sector and the mainstreaming of certification. In 2009 around 2% of cocoa worldwide was certified. By the end of 2012 Utz Certified alone covered 10% of the world cocoa production.

Close collaboration with Mars led to a documentary on sustainable cocoa on National Geographic channel as part of the 'For the love of chocolate' campaign.





SUSTAINABLE JUICE AND FOOD SECURITY

In 2012 a strong partnership was established between Solidaridad and Friesland Campina Riedel (FCR), the market leader in fruit juices in the Netherlands. Solidaridad is supporting FCR in its 'Route 2020' programme — moving towards 100% sustainably sourced products.

THE CONTEXT

The world's fruit and vegetable sector is burdened by soil degradation and excessive water and pesticide use. Productivity is low, and post harvest losses up to 40% are typical for the sector. Working conditions on plantations are often poor, and smallholders are vulnerable. Fruit and vegetable production in developing countries is not only important for export, but also for local food markets. Solidaridad pursues strategies that build on the synergies between those two markets.

PROGRESS

The fruit & vegetable sector consists of many subsectors, each with its own characteristics and challenges. In 2012 Solidaridad focused on fruit juice, bananas and food security. There are strong juice brands that are working towards sustainability. Bananas are the only fruit whose production is organized through a round table: the World Banana Forum (WBF). Within the WBF Solidaridad works with leading companies in the banana sector on developing a pre-competitive agenda in order to improve the sustainability of the sector. More concrete Solidaridad supports the WBF in sustainability initiatives, a collaborative research agenda and in designing a web-based tool for learning and exchange. In Peru Solidaridad has worked with 1700 producers to improve production and entrepreneurial skills. This has provided access to international markets, increasing farm incomes. Banana in Peru is produced by small scale farmers (<1 ha.), which is exceptional in the banana sector. The climate is favourable for organic banana production, which is the market that Peru serves. Peruvian banana exports continue to increase strongly. In Colombia, a national sustainable trade platform is being organized to set joint priorities for improving the sustainability of the sector. Half of the Colombian bananas that are RA certified are not sold under this label. By strengthening market linkages with retailers the platform can improve the share.

Fruit and vegetables in developing countries are crucial for the local food supply and only a limited percentage is exported. Solidaridad identified the potential synergy between meeting demand in export markets, generating cash, enabling investments and improving the resilience of food production for local markets. Apart from the agricultural production Solidaridad is identifying bottlenecks in local food distribution chains with local partners. Post harvest losses can be reduced dramatically with relative simple measures. Food security programmes including fruit and vegetable in Kenya and Bangladesh are up and running, and there is potential for more.

INTEGRAL APPROACH

There is potential synergy in the production of cash crops such as coffee and local food production. Developing cash crops enables farmers to invest in improving fruit and vegetable production for local consumption. Solidaridad developed a proposal for this, together with private partners in Kenya and Ethiopia. A key development was the roll out of a Horticulture and Food Security programme funded by the Netherlands Embassy in Kenya in which Solidaridad is the leading organisation (as part of a consortium involving Hivos and SNV). In November, Solidaridad received a grant of €12 million from the Dutch embassy for the four-year Sustainable agriculture Food security and Linkages programme (SaFaL). This will help 200,000 smallholders in Southwest Bangladesh adopt sustainable practices in dairy farming, horticulture and aquaculture, while improving food security.

PARTNERSHIPS

Solidaridad has worked with Dutch organisations IDH and ICCO to create a platform of Dutch companies in the fruit and vegetables sector. This resulted in the signing of a covenant for sustainable fruit and vegetables. The companies that co-signed the covenant committed to the goal of 100% certified sustainable volumes in 2020.

Friesland Campina Riedel is taking a frontrunner role in order to improve the sustainability in the fruit juice sector. In the past, the juice sector has focussed on the fruit processing industry and not so much on the farmers that are delivering the fruit. Together with Solidaridad FCR is now integrating the farmers in their sustainability plans.

DONORS

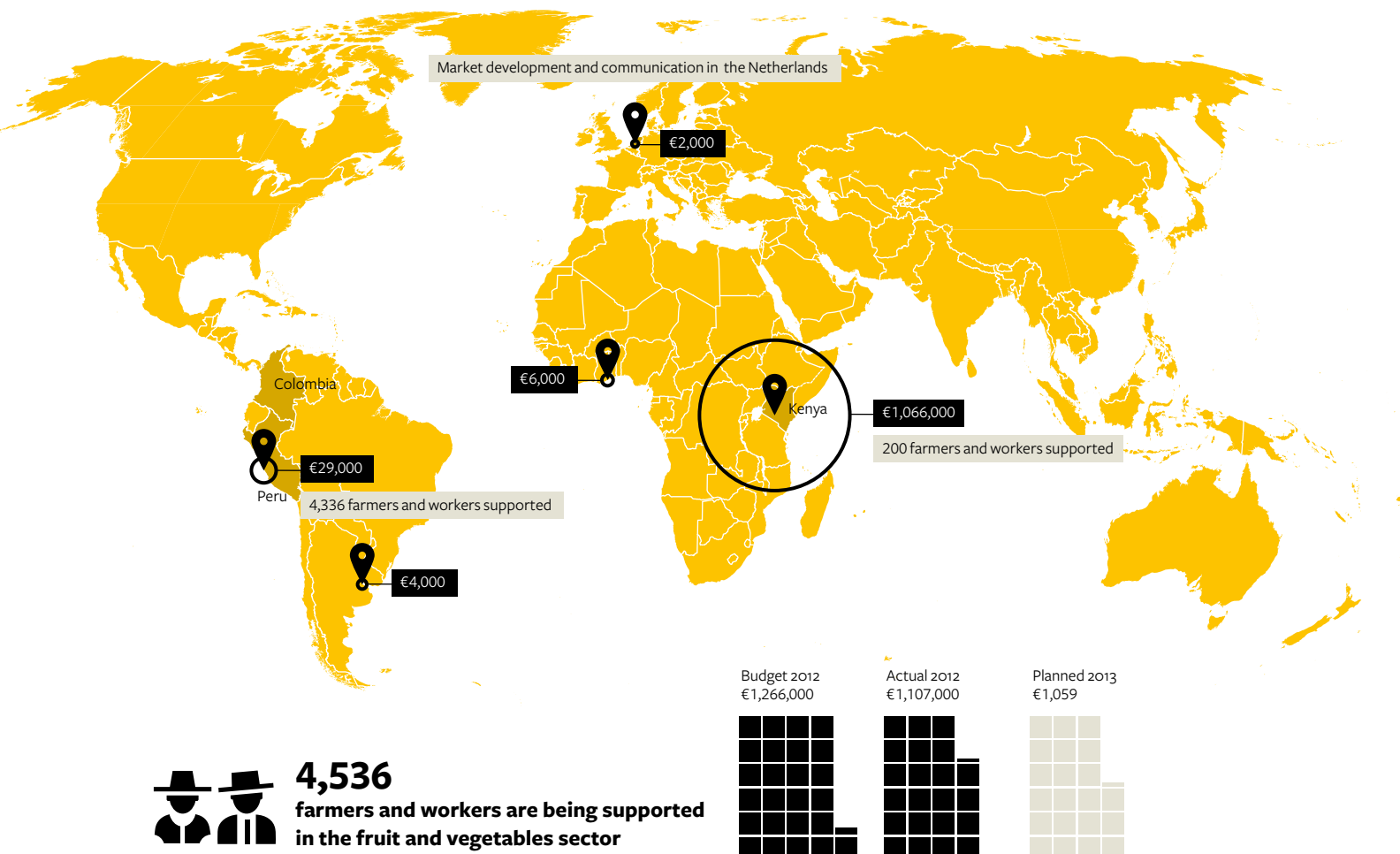
With support from Dutch Embassies Solidaridad develops new programmes in a number of countries. In Kenya and Bangladesh improved fruit and vegetables production and distribution are crucial to improve food security. In Colombia the programme supports the move from aid to trade and includes the banana sector. In Colombia, the funding is designed to support a process of moving from aid to trade, in which four sectors are targeted, including the banana sector.

There is a clear commitment from FCR – and interest from other juice companies – to work towards a sustainable juice sector. Supported by FCR Solidaridad analyses issues in the fruit sectors of Ecuador, Brazil, South Africa and India.



Kenya. Abishagy Wanjira Muriithi in front of her house. Developing cash crops such as coffee enables farmers to invest in improving fruit and vegetable production for local consumption.

Photo: H.P. Altling von Geusau





BETTER COTTON PROJECTS HAVE VISIBLE IMPACT

For the last three years, Solidaridad and its partners have been pioneering projects in India, China and Mali under the Better Cotton Initiative (BCI). These are clearly improving farmers' lives. As planned in 2011, Better Cotton has now been licensed in China. And in 2012, a BCI project was developed in Mozambique, a new country for Solidaridad's cotton programme.

GROWING WELL

About 80% of the world's cotton farmers are smallholders; between them, they supply less than 50% of the world's cotton. Low, unstable incomes prevent them from paying off the debts they incur to make necessary investments in seeds, fertilizers and pesticides. With support from Solidaridad and partners, they can adopt more sustainable practices that will bring real personal and environmental improvements. By providing access to an organised market, these practices also bring the cash that provides farmers and their families with a dignified living.

Against this background, it is therefore very satisfying to report that progress in 2012 was much greater than anticipated. Not only did Solidaridad projects attract a lot of interest from donors, there was additional investment from brands and retailers. From 25 in 2011, the number of projects grew to 28 in 2012, including BCI as well as organic/Fair Trade. They also had an internal momentum of their own: as farmers had good results, they attracted new farmers into the programme. By the end of the year, more than 145,000 were participating – up from 100,000 in 2011, which had originally been the target for 2015. Truly a virtuous circle!

With the expansion of the ProCotton programme in Uganda and a new BCI programme in Mozambique, Solidaridad extended its cotton activities into East Africa. It is now involved in cotton programmes in nine countries.

Solidaridad's Cotton Solution Network team for India has been working on implementing Better Cotton since 2009. At the General Assembly of the BCI in Istanbul in July, it was honoured to win the 'Proud to be an Implementing Partner' award for the clarity, impact and originality of two best-practice stories. Set in the tribal area of Orissa state, better decision-making and a change in attitude reflect some of the ground-breaking changes farmers are making with the help of Solidaridad's local partner, Pratibha Syntex. In China, four BCI projects successfully completed the qualification process that started in 2011; all are now licensed to sell Better Cotton.

CHALLENGES LEFT

Apart from the volatility of the cotton market, the greatest difficulties lie in connecting producers and buyers. Smallholder cotton projects are particularly affected by the sheer complexity of supply chains and price negotiations: there are too many players, too little transparency, and too little control.

Seen from the farmers' point of view, there's a clear busi-

ness case for sustainable cotton, but too small a supply to turn it into a more mainstream product – which is essential. Seen from a market perspective, downward pressure is needed – to mobilise not only buyers, but also the ginner and spinner; and also to get commitment to longer-term relationships throughout the chain.

STRATEGIC PARTNERSHIPS

Solidaridad's activities in the Better Cotton Fast Track Program (BCFTP) are supported by pioneering brands and retailers, such as Adidas, H&M, IKEA, LS&Co and M&S, with their publicly stated target of using 100% sustainable cotton in their products within the next decade. In this, they actively involve their supply chain partners. In 2012, Bestseller partnered with Solidaridad as a direct investor in a farm project in India. A recent BCI member, Bestseller is the Danish holding company of the Jack&Jones, VILA, Only and Vera Moda brands.

DONORS

IDH (the Dutch Sustainable Trade Initiative) and the Rabobank Foundation are key partners in the BCFTP, a programme that sets strategy to accelerate supply of Better Cotton and that matches private-partner investments up to 100%. BCI farm projects are also supported by the Farmer Support Programme, a four-year public-private partnership that will run until 2015. Solidaridad's ProCotton activities in Eastern Africa are supported by the Common Fund for Commodities.

IMPACT

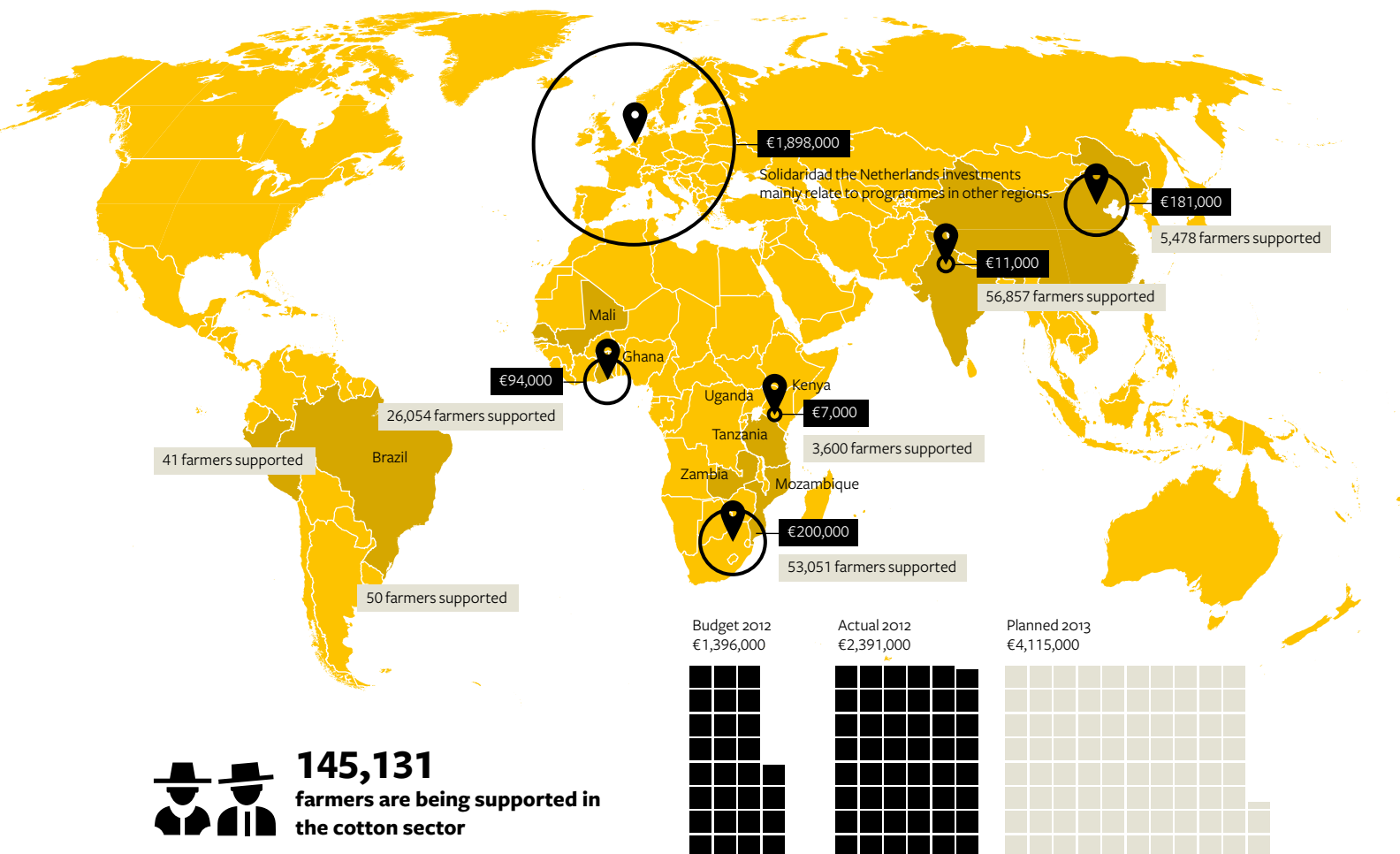
Under the BCI, progress is currently being documented on several indicators for all farmers involved, such as net income, reduced pesticide use and women involved. The data are verified, analysed and aggregated. Comparison with control farmers provides valuable information for assessing the impact of the programmes. Through this we learned that BCI farmers in Mali have 8% higher profits than control farmers. In 2012 a short documentary was made in Mali, the intention being to repeat the exercise a few times in order to demonstrate that real change is taking place.

Progress in 2012 was much better than anticipated. From 25 in 2011, the number of projects grew to 28 in 2012.



China. Temporary workers are transported by the Guoxin – an export-oriented textile and garment company – to the farm. They start in August and will work until harvest is finished at the end of November.

Photo: Jos Kuklewski





ALL SET FOR A MAJOR SCALE-UP IN 2013

The scene for larger environmental programmes in 2013 – involving 200 mills in Bangladesh and 75 in China – was set by successful pilots with textile-dyeing, washing and finishing factories, resulting in impressive in water, energy and chemicals. In India, Hennes & Mauritz (H&M) partnered with Solidaridad on a programme promoting the rights of garment-factory workers.

THE BENEFITS OF AN INTEGRATED APPROACH

From cotton to finished garment, the textile supply chain is characterised by various social and environmental challenges. By training workers and helping factories implement structural improvements, Solidaridad and its partners work to improve labour conditions, reduce pollution and improve efficiency. And by encouraging fashion brands to buy sustainably produced textiles or actively engage with their existing suppliers on making improvements, they also help improve conditions.

In 2012 time was spent on programme design and in a successful search for partners. The pilots for the Cleaner Production programmes showed a clear business case for implementing environmental improvements. Through energy and water savings, for example, considerable cost savings will allow for investing in further social and environmental improvements – thereby benefitting workers, the environment and communities.

In Bangladesh, the Royal Dutch Embassy in Dhaka signed a Memorandum of Understanding with the IFC, Solidaridad and nine brands to scale up the programme from 2013. Roughly half of the funding will come from public sources, notably through the embassy, which is matched by the private sector – to a large extent by brands and retailers, though participating factories also contribute.

Last year's factory fires in Bangladesh and Pakistan provided just one reminder of the importance of approaches that tackle root causes simultaneously – including worker-protection legislation, worker training, local government, buying practices, and the attitudes of factory management. The need to raise workers' awareness of their rights underlay five short training films for garment workers in Bangalore, India, which H&M was instrumental in making. The movies will be rolled out in 2013. Filmed in factories and featuring professional actors, they deal with health and safety; good working environments; overtime; misconduct, abuse and grievance; and workers' representation. As well as showing the solutions to the problems it presents, each film shows how workers can themselves take a solution-oriented approach to solving them.

LESSONS LEARNED

It takes a long time to create multi-stakeholder partnerships – a particular problem in times of economic recession, when brands, retailers and factories are less able to invest. Despite this, we believe that it was flexibility and an ability to balance

the interests of all stakeholders that enabled Solidaridad to test the approach developed in 2010-11 and to prepare it for upscaling in 2013.

In a similar vein, thanks to Solidaridad's broad, integrated approach to environmental sustainability, occupational health and safety and labour conditions, we have avoided the trap of slipping into the single-issue management that all too easily follows incidents such as the factory fires in Pakistan and Bangladesh. By consistently focusing on any issue in its wider context, we believe we're creating a common ground for our vision.

STRATEGIC PARTNERSHIPS

The partnership with H&M has grown over the years – from a partner on small projects, the company has now become a joint programme developer. As a front-runner in sustainability, it has also taken the lead in getting other brands involved: Carrefour, S.Oliver, Tesco and Wal-Mart all joined the project for training videos in Indian garment factories. Similarly, C&A, G-Star, Inditex (the Zara parent company) and VF Corporation (Lee and Wrangler) will mobilise suppliers for cleaner production.

DONORS

The Dutch Embassy in Dhaka, through the IFC, and private companies are sharing the cost of the Bangladesh Water PaCT, the Partnership for Cleaner Textiles. This four-year, US\$ 11 million programme intends to raise awareness on cleaner production practices at 500 textile wet-processing factories, and to implement better practices in 200 factories. Another donor is ASN Bank, whose support is woven into many of Solidaridad's social and environmental programmes in Bangladesh, China and India. With the financial support of the Ministry of VROM, brands and retailers as well as participating factories, a successful Cleaner Production pilot was concluded in China.

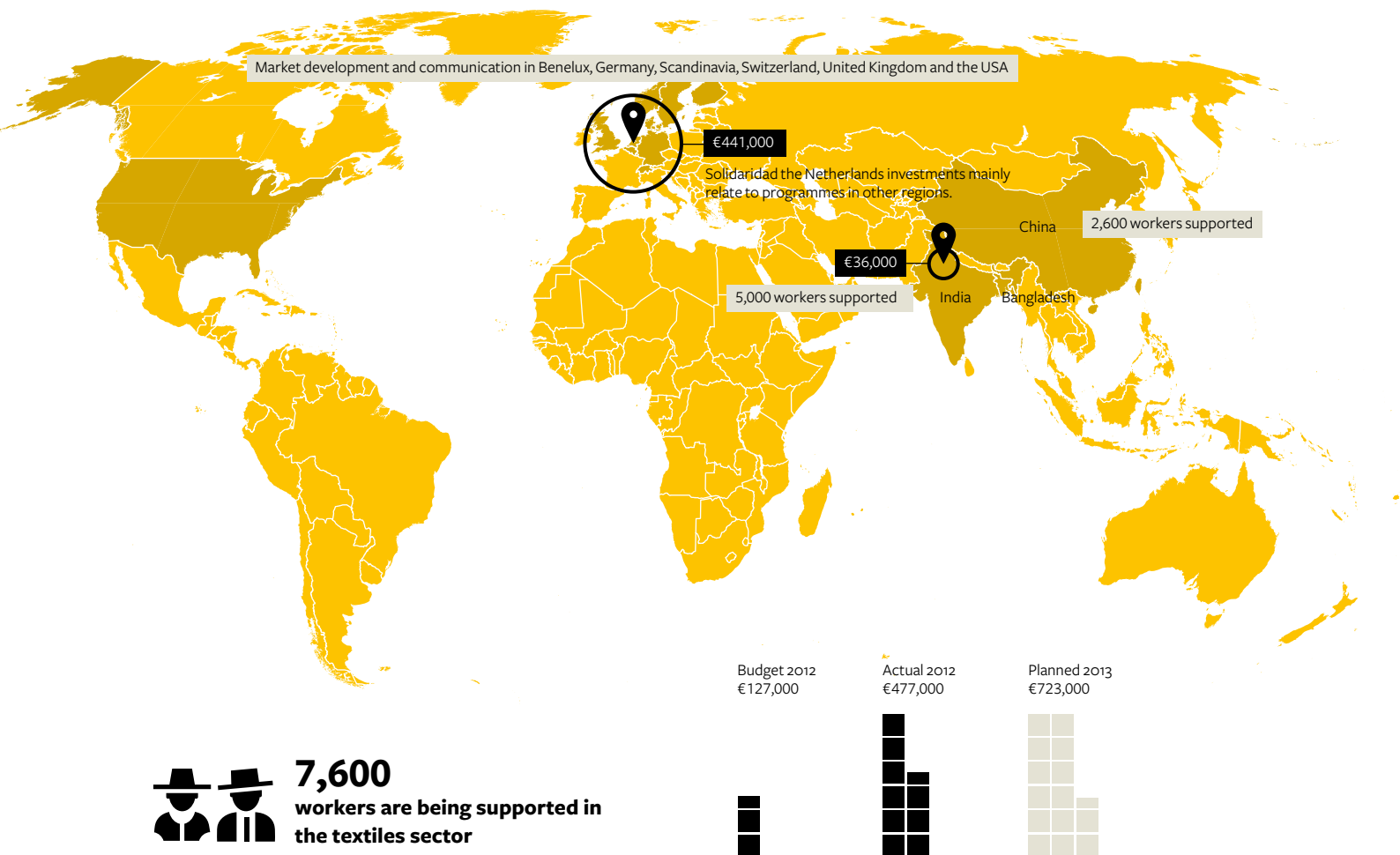
IMPACT

The pilot projects with textile dyeing and finishing factories were an excellent test of our approach in China and Bangladesh. The China pilots averaged eight improvements per participant, and invested an average of almost € 25,000. For example one jeans manufacturer reduced steam consumption by 25% and improved its chemical storage and handling.



The new PaCT programme delivers cleaner production in 200 textile factories in Bangladesh.

Photo: Marieke Weerdesteijn





RISING PROFILE FOR FAIRTRADE GOLD

In May, the launch of Fairtrade and Fairmined (FTFM) gold in the Netherlands was a successful awareness-raising campaign. Less visible but no less important were the expansion of the FTFM programme to Africa and a project in South America to test the FTFM standard in mining regions where forced labour is endemic.

STRONG GROWTH

Solidaridad is the only civil-society organisation working with partners in both the industrial and small-scale mining supply chains to test new and better ways of mining. It is now capitalising on jewellers' increasing awareness of the widespread social and environmental harm linked to gold, such as conflict, bonded labour, unpaid child labour and mercury poisoning.

One measure of progress lies in the number of buyers licensed to buy FTFM gold. In January 2012, the Netherlands had none; by December it had nine. Thanks to a joint effort between Fairtrade International, the Alliance for Responsible Mining, Solidaridad and other organisations, the UK, the Netherlands and Denmark are now home to over sixty licensed buyers.

The challenge now is to get the message out to jewellery consumers that it's vital to insist on responsible gold. The Dutch launch of FTFM gold, which at one point featured TV and cinema star Katja Schuurman, was enormously successful in this regard. Media coverage reached 80 million people. The advertising value of the free publicity was more than €2.3 million. On prime-time TV news, the launch took third place, beaten only by the latest development in the Euro crisis and by the French presidential elections. Dutch licensees are now reporting that consumers are increasingly seeking them out and want to buy FTFM gold jewellery.

The expansion of the implementation programme to Ghana, Kenya, Tanzania and Uganda – where there is now full training on the ground – meant that capacity training now covers seven countries on two continents. With the other three countries – Bolivia, Colombia and Peru – the total number of miners assisted to date is nearly 5,000; community members number almost 32,000.

The African programmes are in the first phase of analysing current practices and alerting miners to what they can do better. The focus for future years lies not just on efficiency, but also on helping mining associations to achieve legality under national legislation. Without it, these groups of small-scale miners will not be able to qualify for FTFM certification.

While Solidaridad's programme is growing very successfully – in 2012, the groundwork was also laid for expansion to Nicaragua and Argentina – the real test is the future uptake of certified FTFM gold by companies, and of Responsible Jewellery Council (RJC) gold by the industrial sector. Activities such as the successful Dutch launch are just one of many keys to this.

LESSONS LEARNED

After some setbacks, Solidaridad changed its procedure for identifying industrial mining companies as potential partners. To connect with like-minded organisations, there are now sessions on social responsibility at more international and regional mining conferences. These make it much clearer which mining companies are ready to put leading ideas into practice and to allow verification through models such as the Responsible Jewellery Council.

STRATEGIC PARTNERSHIPS

Dutch jewellery designer Bibi van der Velden is Gold Programme ambassador. Together with Steltman Jewellers, the Dutch crown jeweller, she was a prime mover behind the launch in May. She has supported the campaign through her bracelet design, and, with Steltman, has produced a line of jewellery in Fairtrade and Fairmined gold. Steltman, who also carry a version in certified gold of the bracelet Bibi designed for Solidaridad, are raising awareness and pushing for better practices in small-scale mining communities. As a leader among Dutch companies, they hope to encourage other jewellery designers, brands and retailers to come on board.

DONORS

In testing innovative approaches to tough challenges in the mining sector, Solidaridad needs visionary partners who are willing to take risks. In a wider programme to test whether it can be effective in stopping forced labour in mining communities, Solidaridad is partnering with U.S.-based Humanity United in gold-producing regions where serious social abuses such as forced labour, trafficking, prostitution and extortion are prevalent. The project – now in the early stages – has identified high-risk communities in Peru and Colombia. Support is badly needed there, but success is far from guaranteed and the project is a big leap for both partners.

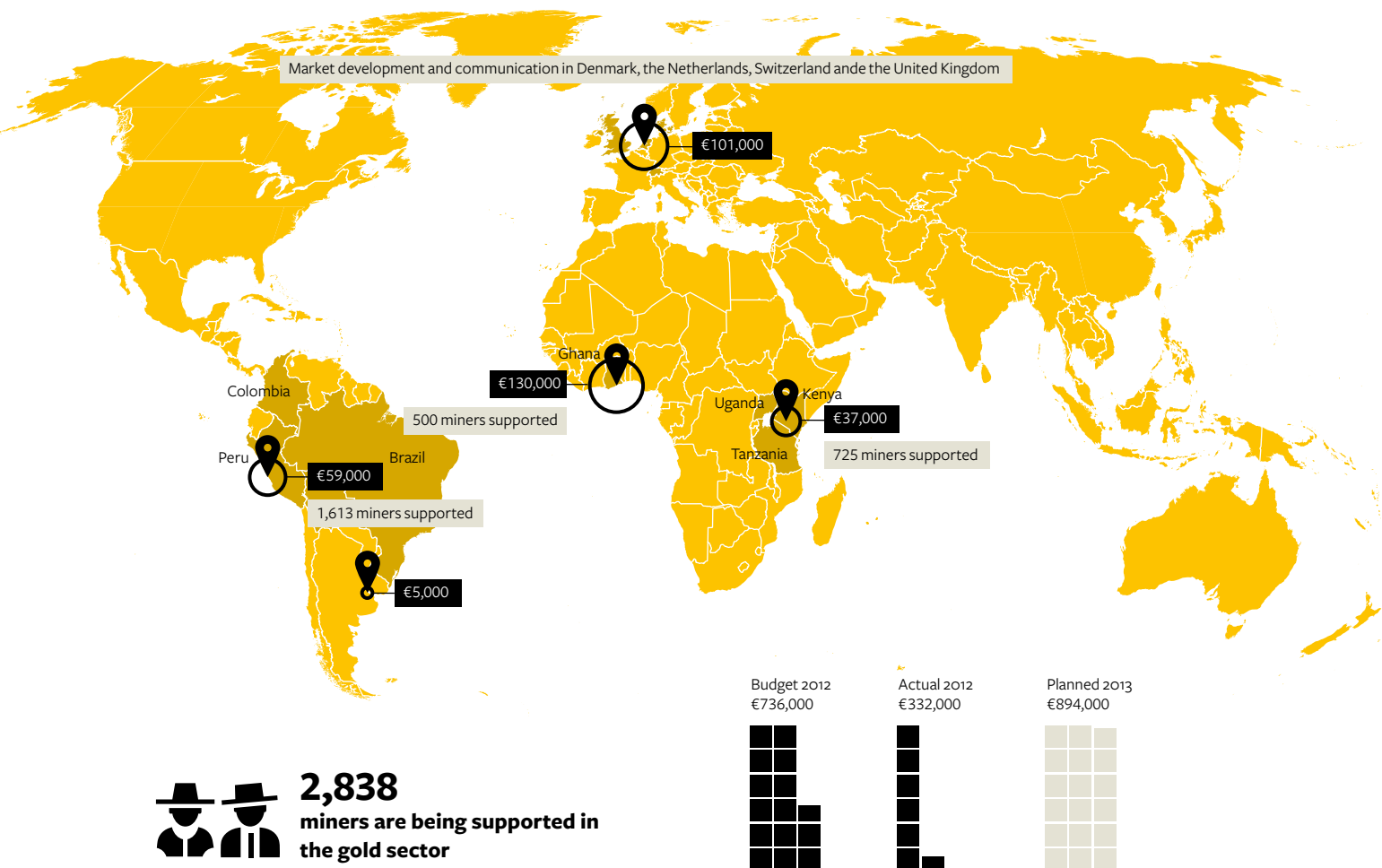
IMPACT

Though the Gold Programme is still in its early stages, measuring impact is a key goal for the years ahead. In 2013 Solidaridad will commission an external evaluation to measure progress so far. Impact assessments are also scheduled and these will be useful for comparisons with baseline data collected in 2009.



The focus in the African programmes is on efficiency and legalisation. Without a legal entity small-scale miners cannot qualify for FTFM certification.

Photo: Annemarieke van den Broek





FIRST PROJECTS IN CHINA AND MOZAMBIQUE

Soy is a high-volume, low-margin product. Global production increases by 7.5% each year, mainly because of increasing demand for soy meal in China and its widespread use in animal feed. The impact on land use is considerable.

PROGRAMME SETTING

Planting more hectares with soy in South America contributes to destruction of precious rainforests, while heavy use of pesticides pollutes soil and groundwater. Farmers in China, India and Africa suffer from low productivity. Solidaridad promotes use of scarce land in a smarter, more sustainable way through training and by promoting Round Table on Responsible Soy (RTRS) certification, especially in South America.

PROGRESS

Solidaridad is supporting soy farmers in an increasing number of countries in South America, Asia and Africa. For smallholders outside South America, who often get relatively low yields, training in Good Agricultural Practices is likely to result in higher productivity. South American soy producers are, however, often reluctant to get involved with RTRS, because they are not sure that there will be sufficient demand (demand for RTRS certified soy is increasing relatively slowly). In South America, where there are very large farms and high productivity, almost 300,000 hectares of soy farming was contracted by Solidaridad for the IDH Soy Fast Track Fund in 2012, creating a supply of responsible soy.

IMPROVING AGRICULTURAL PRACTICES

A key issue in certification is avoiding deforestation by linking farmers to premium buyers who make this aspect mandatory as part of the RTRS standard. In general, in South America Solidaridad aims to reduce negative impacts, while in the rest of the world it's more about improving yields in a sustainable way.

Outside South America the RTRS standard can be used as a reference. In India and Africa (e.g. Mozambique) farms are much smaller and yields are low. Solidaridad has supported training of 30,000 small-scale soy farmers in India (average farm size: just over 1 hectare) in improving agricultural practices. This has led to 15-20% higher productivity and improved livelihoods.

In 2012 the first Solidaridad soy programme in Africa was started in Mozambique in a cooperative venture with the NGO Technoserve. Over the next three years 25,000 smallholder farmers will be trained in better management, leading to higher productivity and improved soil conservation.

BREAKTHROUGH IN RESPONSIBLE SOY IN CHINA

China is the single largest consumer and importer of soy in the world as well as the fourth largest producer. In a country where non-governmental organisations have little influence, achieving higher benefits for farmers with reduced environmental impact is challenging. Two large farms will start working together with Solidaridad towards the first responsibly produced soy in China. The programme focuses on two key challenges: reducing poverty amongst soy farmers, whose annual income is less than €150 from soy plantation, and on reducing the use of chemicals. In 2015 the programme is expected to result in a 10% reduction of costs due to lower inputs, a better market price as a result of the introduction of better soy varieties, a 10% increase in turnover per farm through higher crop quality and 20% higher incomes for local smallholders.

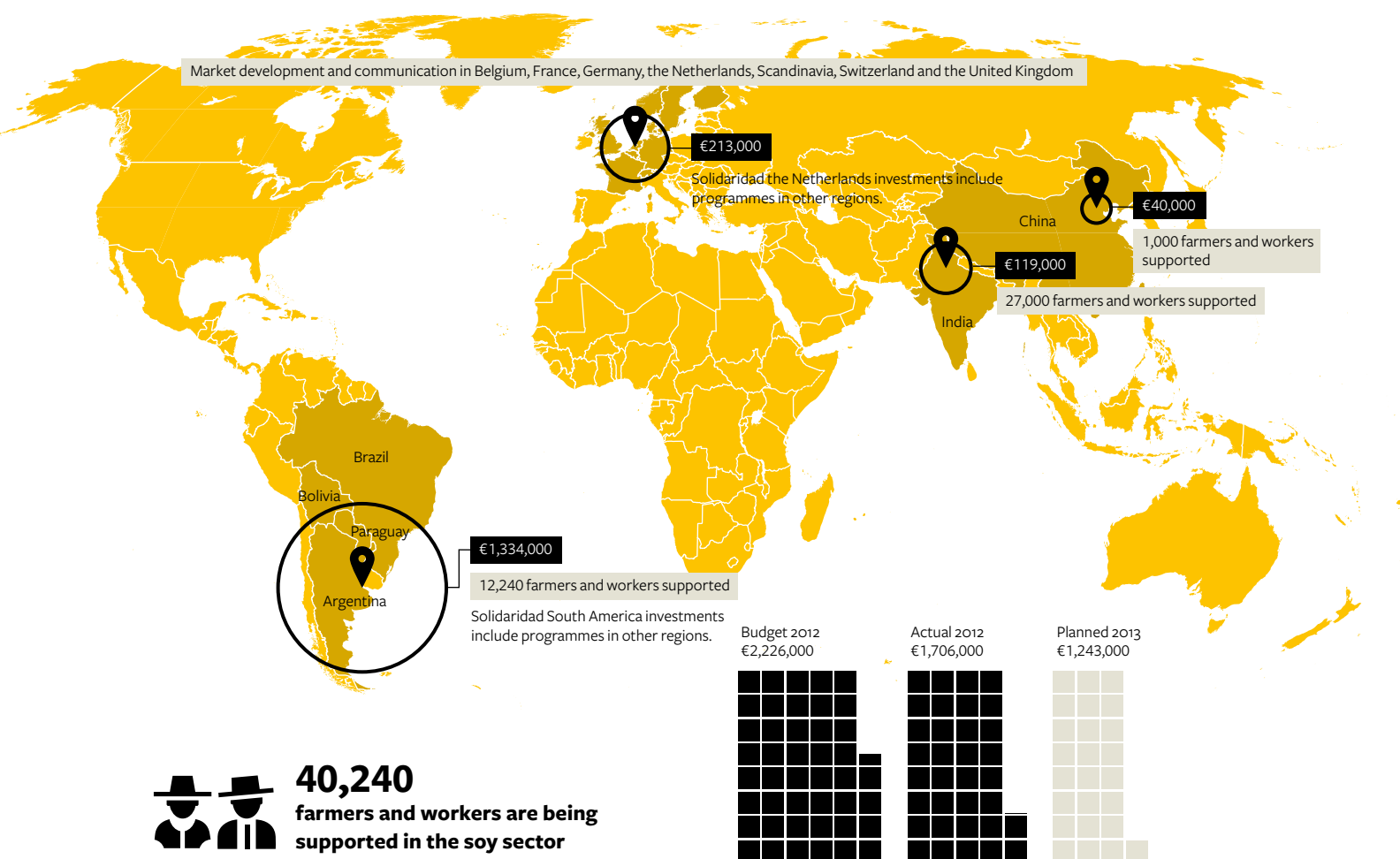
STRATEGIC PARTNERSHIPS

Demand for responsible soy lags behind expectations. Not being a consumer product, companies need to be convinced of the advantage of investing in sustainability and Solidaridad is actively working on that. In the Netherlands – the second largest importer worldwide – there is a collective agreement among all companies in the animal production sector that all soy used in the Netherlands should be RTRS certified or equivalent. Dairy company FrieslandCampina has supported Solidaridad soy programme activities in Brazil and India for four years now and is one of the key players in the transition towards 100% RTRS soy imported into the Netherlands. CONO is a small dairy company (supplying Ben & Jerry's) and cheese maker, but a frontrunner in supporting Solidaridad farm support programmes in India.

IMPACT

Family farmers in Brazil and in India have been supported in their attempts to improve production, while complying with the principles and criteria of RTRS. In India this has resulted in an increase in yield with fewer inputs, thus reducing poverty. In Brazil the main impact has been more balanced use of inputs. The trend is for the biggest brands and retailers on the globe to commit themselves to sustainability and Solidaridad is well placed to deliver services to stakeholders throughout the soy value chain. An external impact study of the India soy programme started at the end of 2012 and results are expected in May 2013.

Pesticide spraying by a small scale farmer in a large soy growing area. Promoting integrated crop management and reducing the environmental impacts of pesticide use are key issues in the Solidaridad China programme.





GLOBAL PROGRAMME STARTS TO BEAR FRUIT

Partnerships with main market players in the sector have resulted in a range of projects that started in 2012. Such programmes include better management practices, pilots, working towards standard compliance and market access for smallholders. A highlight was the launch of the Sustainable West African Palm-oil Programme.

PROGRAMME SETTING

Palm oil has brought impressive wealth to Indonesia, Malaysia and other tropical countries. However, it is also associated with negative impacts, such as deforestation and the exploitation of labour. The Roundtable on Sustainable Palm Oil was set up to address these and other issues, but the standard is not easy for many smaller companies and smallholder farmers to comply with. The Solidaridad palm-oil programme focuses on making the palm-oil trade more inclusive and sustainable: ensuring that smallholders and labourers benefit, while reducing the sector's negative impact on people and nature. The shift from a buyers' to a sellers' market in the past decade and the dominance of Asian consumer markets requires a special focus on Asia.

STRATEGY

In producing countries, Solidaridad develops model projects that put farmers' benefits first and works towards certification where there is a clear business case. In the supply chain, the idea is to work with mills, traders and consumer brands to get smallholders included in supply chains of leading companies and to establish direct links through certificate trade wherever possible. Solidaridad operates both within and outside of RSPO to establish inclusive voluntary sustainability guidelines and works to ensure that RSPO and other standards are credible by ensuring they deliver on their promise. Solidaridad also collaborates with civil society organisations and government agencies to create a level playing field and ultimately make sustainable production and trade the norm.

PROGRESS

As part of the new Sustainable West African Palm-oil Programme Solidaridad is working with Unilever to integrate smallholders in the supply chain by helping them to produce more sustainably so that the region can become more self-sufficient in palm oil. Preliminary results of the global farmer support programme are promising, with increasing yields and improved supply chain relations in pilot projects in Latin America, Africa, and Asia. Beyond pilots Solidaridad and RSPO support the scaling up of sustainable palm oil production in Colombia and Honduras in collaboration with 13 local plantation companies, industry associations and leading processors of palm oil such as Henkel and Johnson&Johnson.

LESSONS LEARNED

Although there is a specific smallholder standard, the RSPO code often inhibits certification of smallholders, even if their social and environmental impact is in line with the spirit of RSPO. By participating in the RSPO's Principles and Criteria review and the Smallholder Task Force, there is an opportunity to improve RSPO instruments designed to increase smallholder benefits. For lasting improvement, massive investment in replanting of smallholdings and African plantations is needed. This requires a concerted effort from the industry, producers and financial institutions.

STRATEGIC PARTNERSHIPS

Partnerships have been developed with global companies such as Unilever, training and knowledge institutions such as LPP and IOPRI in Indonesia and engagement in initiatives such as RT-REDD (building bridges between Roundtables and the REDD+ avoided deforestation programme) and SHARP (a partnership designed to improve livelihoods and reduce deforestation). Such partnerships enable Solidaridad to leverage its limited resources.

Johnson & Johnson, Cono Kaasmakers and Ben & Jerry's support the production of sustainable palm oil through the purchase of Green Palm RSPO certificates which benefit certified sustainable growers and through dedicated smallholder projects in Indonesia, Malaysia and Ghana. In Asia, Solidaridad partners Wild Asia and Verité have shown that workers' concerns (a living wage, health and safety, rights of association, and more bargaining power) need more attention both inside and outside RSPO.

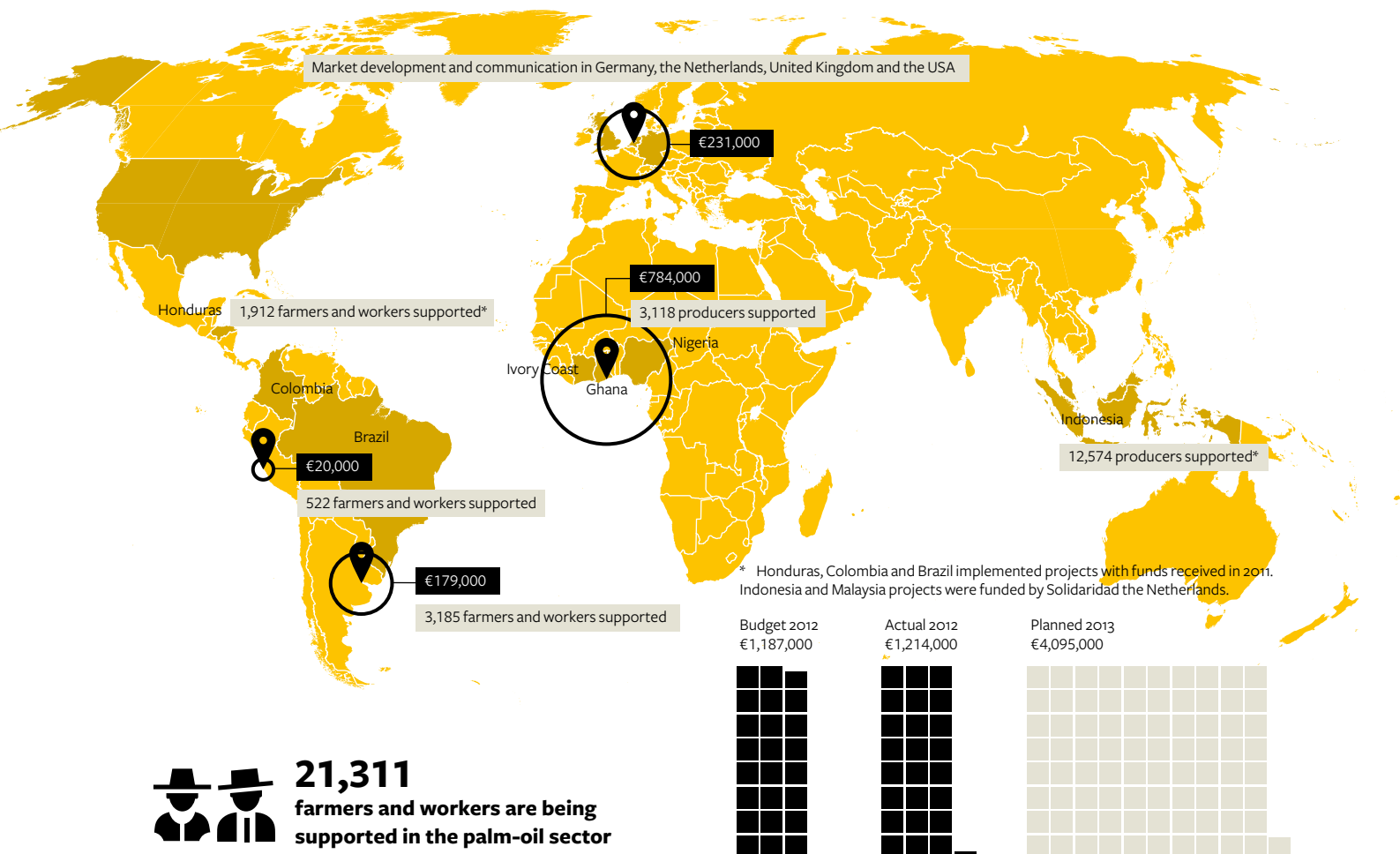
IMPACT

The palm-oil programme is relatively new; an evaluation of the 2010-2012 programme will be published in 2013. Pilot projects report significant improvements, even at this stage: for example, the 54 longhouse-dwelling Iban families that participated in an RSPO pilot with Keresa plantations established long-term contracts with mills and increased their sales from 2,100 tons in 2010 to almost 4,400 tons in 2012. Yield increases of about 20% have been reported as a result of the adoption of better management practices.



“I really appreciate the farmer field school. For the first time, we have been given information about how the mill sorts and grades... We have a manual, photos and real examples of good quality oil palm fruit.”

An independent smallholder attending the Solidaridad Farmer Field School in Sekadau, West Kalimantan





IMPORTANT STEP AS ETHANOL REACHES EUROPE

In 2012, Argos Energies, a Dutch importer, bought the first-ever shipment of traceable Bonsucro-certified ethanol from Brazil, thus achieving an ambition set at the start of the programme in 2009. This represents enormous progress: just three years ago it would have been impossible even to certify sugar cane.

SUGAR-CANE PROGRAMME COMING OF AGE

Sugar cane has a huge potential for replacing petroleum as the key ingredient for many fuels and materials. But to achieve its full potential, the industry needs to leave its negative history behind – a dark past of labour-rights abuses, poverty and environmental damage. To alleviate poverty, farmers can achieve a great deal through better productivity – of labour, soil, water and other inputs. Solidaridad's support is designed to find ways in which farmers, other supply-chain partners and civil-society stakeholders can work towards this common goal.

Argos' purchase of Bonsucro-certified ethanol showed that the sugar-cane programme is coming of age. In 2012, Solidaridad was involved in sugar-cane programmes in 11 countries worldwide, and had become a recognized and valued partner for working with industry, government and other stakeholders. A cornerstone of its work is the project with Argos, which made it possible to identify a mill, work on a pilot, and find a supplier to build a Bonsucro chain of custody – the first from Brazil to Europe. This process was very instructive for all concerned and has produced excellent results.

As another aspect of this work, Solidaridad and its partners have worked to develop tools for farmer support. These are based on similar principles around the world, but are always specific to local farmers' circumstances and experience. They enable farmers and millers to assess their performance in business terms, and also in terms of its social and environmental impact. Performance gaps can be identified, and then closed through training and practical advice. These tools are attracting the attention of farmers' organisations, mills and government extension services. In the years ahead, we are confident they will drive further progress.

In 2012, Solidaridad's activities were extended to three new countries – Tanzania, Swaziland and Malawi – and also gained greater focus and consistency. Better understanding of the sector showed how to use our very modest means to make a real difference. Successful pilots spawn imitators, made it possible to move up the supply chain, attracting millers and industry organisations. In Bolivia, such an approach helped a large mill – a farmer and worker-owned co-operative – to unite forces and reduce child labour by 80% relative to 2011.

THE MILLS ARE THE KEY TO IMPROVEMENT

Large end-users have been hesitant about getting engaged, mainly because the sugar market is mature and well established, involves a highly standardised product, and is primarily price-driven. And with a growing palette of competing sweet-

eners to choose from, sugar is strategically less important than commodities such as coffee, cocoa or fruit, which cannot be replaced by alternatives.

In most cases, Solidaridad has therefore gone straight to the sugar-cane mills – the link in the supply-chain whose past investments give them the greatest interest in better cane production. Each of the six new sugar-cane projects started in 2012 – in Brazil, Mexico, Africa and India – had at least one mill as a partner. Recognising the importance of such projects, end-users are now indicating a willingness to treat these mills as preferred suppliers.

STRATEGIC PARTNERSHIPS

The world's largest ethanol producer, Raízen – a joint venture between Shell and Cosan – has set itself time-bound targets to certify all of its operations to Bonsucro standards. Over 4,000 outgrower farmers will be included. In Brazil, Raízen and Solidaridad have developed a self-assessment system for sugar-cane farmers. This helps them to make improvements in the field, if necessary with aid from the mills or farmers' associations.

International Finance Corporation (IFC; part of the World Bank Group) and Solidaridad South & Southeast Asia joined forces in five Indian states to help 14 sugar mills and the farmers who supply them to improve their sugar-cane cultivation and milling practices. Four mills and their farmers will seek Bonsucro certification before 2015.

DONORS

Through the Farmer Support Programme, the Netherlands Ministry of Foreign Affairs supported projects in eight countries, as well as work on market transformation and the development of platforms such as Bonsucro.

Through the Global Sustainable Biomass Fund, Agency NL supported pioneering work on the certification of a mill in Brazil, bringing certified ethanol to Europe for the first time, retraining expelled cane cutters – especially women and people with a low education – and developing a self-assessment tool together with Raízen.

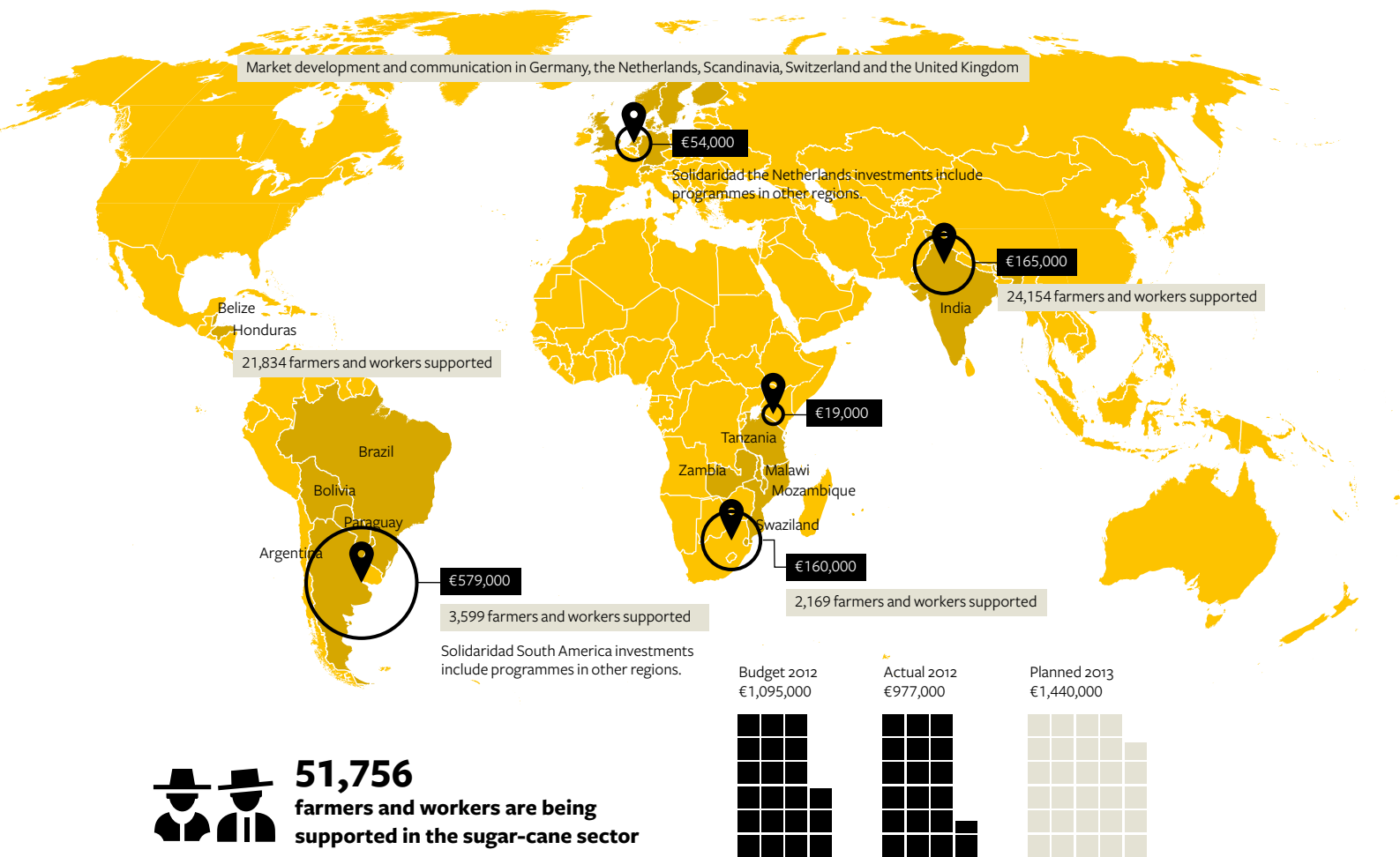
IMPACT

Although no impact studies on the sugar-cane programme were conducted in 2012, and none were prepared, Solidaridad worked with some 35,000 farmers worldwide to improve their practices and incomes. Project-based monitoring indicates that productivity increases and input-cost savings raised net incomes across the board by between 10 and 15%.



The sugar-cane industry needs to leave its negative history behind it – a dark past of labour-rights abuses, poverty and environmental damage.

Photo: Piet den Blanken





FIRST ACTIVITIES IN THE LIVESTOCK PROGRAMME

In 2012 the first concrete activities in the livestock programme got underway, including a project in eastern Xingu Basin in Brazil for smallholders, which focuses on the management of beef herds and improving the livelihoods of indigenous people.

THE CONTEXT

The livestock sector meets a significant proportion of global protein requirements, but the social and environmental impacts can be considerable. Improved management can reverse land degradation and increase productivity and efficiency, thus reducing environmental pressure while feeding more people. The sector is significant worldwide, both in terms of land use and livelihoods.

PROGRESS

The focus within the programme is currently mainly on beef, but dairy will be included, also because of the interrelationship. Solidaridad contributed to the Global Roundtable on Sustainable Beef, which was formally launched in 2012 and set up a working group with Consumer Goods Forum to support the goal of zero net deforestation. The first Solidaridad livestock project started in Brazil – in cooperation with Aliança da Terra – and projects in Uruguay, Paraguay, Brazil and various countries in Africa are being prepared.

Attempts to get European retailers involved in enhancing the sustainability of beef production in South America and Africa – either by investing in producer support or through certification – have not yet been successful. This is partly because consumer pressure is stronger for other types of meat and the fact that relatively little beef is imported.

THE XINGU PROJECT

In a settlement in one of the poorest municipalities of the Eastern Xingu in Mato Grosso, Brazil, this project is using the beef market to support more than 300 families. In this cooperation with Solidaridad, Aliança da Terra (Land Alliance), has artificially inseminated 500 head of cattle with high-quality semen and plans to inseminate more than 25,000 during the life of the project. Community associations have been established and technical assistance is being provided. Most importantly, they are beginning to negotiate joint sales to generate a higher price for their animals. This partnership is leading the way for other small-scale producers in Brazil and possibly abroad.

PRIVATE SECTOR PARTNERSHIP

Zandbergen World's Finest Meat is one of the largest importers of beef in Europe, selling beef to retailers in many European countries. They import from all over the world, including from Uruguay, Brazil, and Namibia, where Solidaridad is setting up programmes. There is a Memo of Under-

standing with Zandbergen for cooperation on promoting social and environmental sustainability in beef production and they are also a partner in a programme in preparation in Uruguay. The main donor for livestock projects is the Farmer Support Programme, which is funded by DGIS.

IMPACT

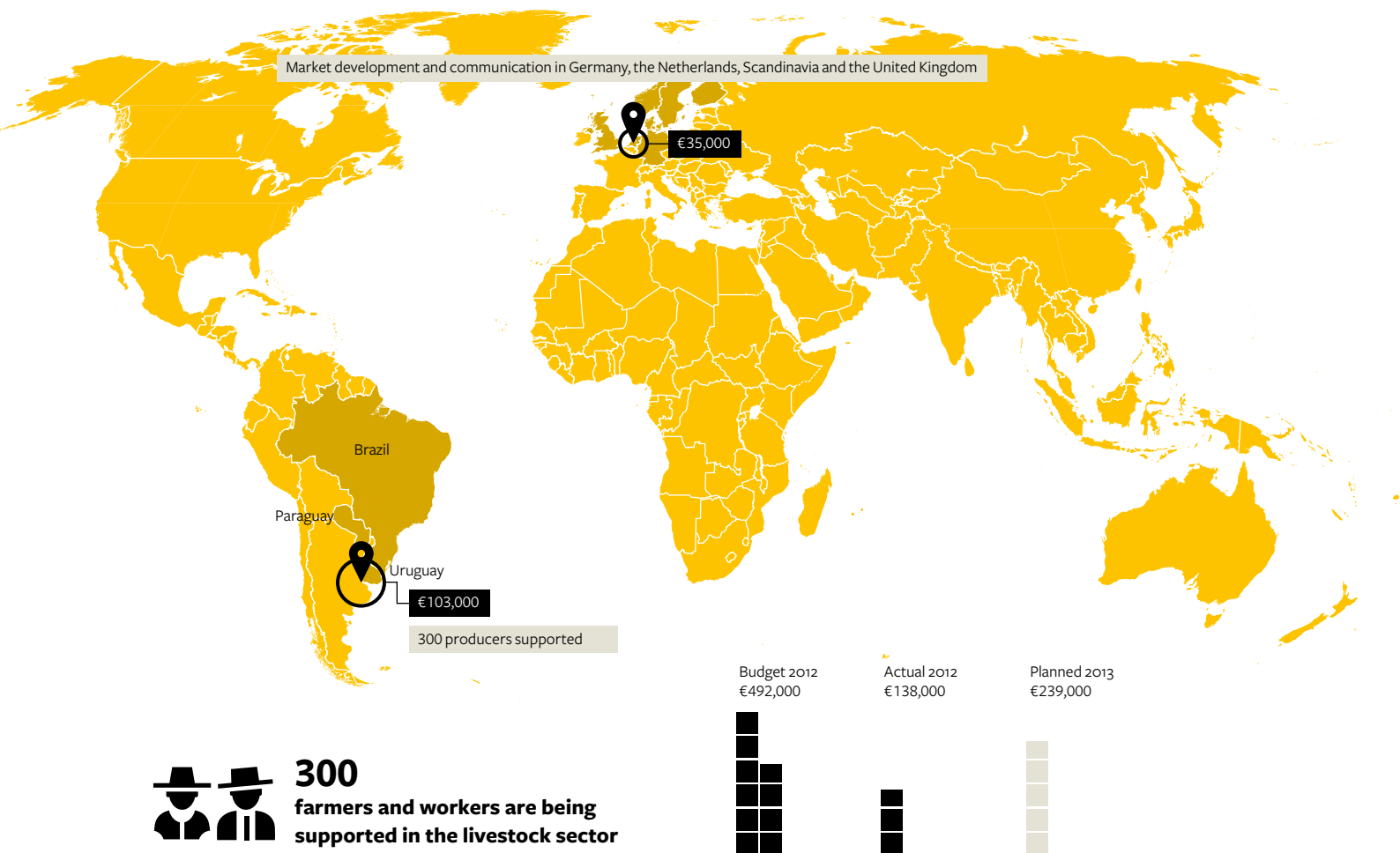
Solidaridad is focusing on continuous improvements at the farm level. At least six programmes will begin in 2013, in Central and South America and Africa, involving multi-million budgets.

Solidaridad contributed to the Global Roundtable on Sustainable Beef, which was formally launched in 2012, and set up a working group with Consumer Goods Forum to support the goal of zero net deforestation.

Mato Grosso, Brazil. The first Solidaridad livestock project started in Brazil – in cooperation with Aliança da Terra – and projects in Uruguay, Paraguay, Brazil and various countries in Africa are being prepared.



Photo: Pieter Sijbrandij





REGIONAL DEVELOPMENT

- NETWORK FINANCE
The Solidaridad network gains strength
- SOLIDARIDAD SOUTH AMERICA
Rural Horizons, a new solution for farmers
- SOLIDARIDAD ANDES
Creating platforms for sustainable trade
- SOLIDARIDAD CENTRAL AMERICA
Roundtables take hold in the region
- SOLIDARIDAD WEST AFRICA
Smallholder palm oil for local market
- SOLIDARIDAD SOUTHERN AFRICA
Forming partnerships across the region
- SOLIDARIDAD EASTERN AND CENTRAL AFRICA
From subsistence to commercial farming
- SOLIDARIDAD SOUTH AND SOUTH-EAST ASIA
Food security programme in Bangladesh
- SOLIDARIDAD CHINA
Intervention starts with farmers' ambition
- SOLIDARIDAD THE NETHERLANDS
Campaigns raise Solidaridad's profile
- SOLIDARIDAD NORTH AMERICA
New regional office in San Francisco

THE SOLIDARIDAD NETWORK GAINS STRENGTH

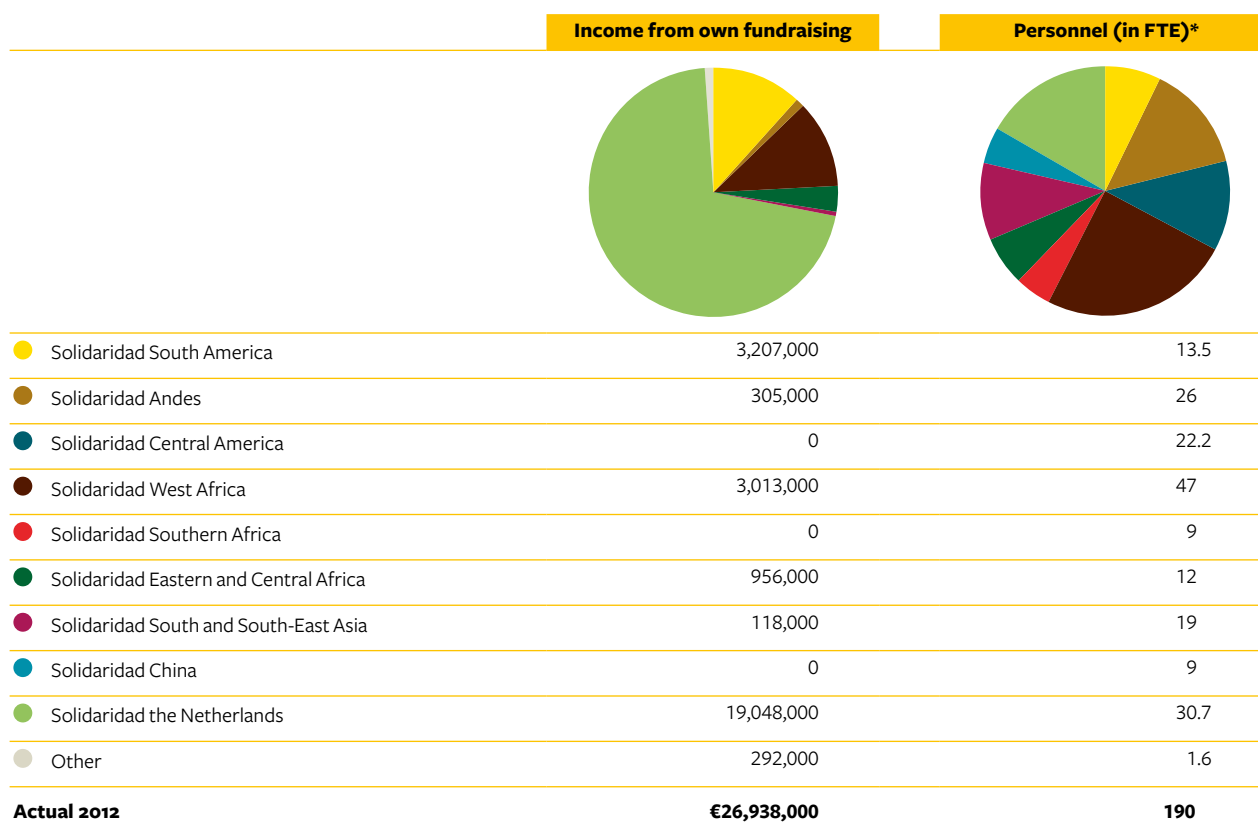
The growth of the Solidaridad network is reflected in increased income, investments and personnel. This chapter opens with a global overview of these key figures for the network, followed by comprehensive reports on the organisational development of all Solidaridad regional expertise centres.

In 2012, Solidaridad Network's income was €26.9 million. This was raised mainly by Solidaridad the Netherlands (€19 million), but the other organisations have started to contribute in a significant way (€7.9 million) and the forecast shows an increase in fundraising throughout the network.

Investments in sustainable value chains amounted to €23.4 million in 2012. €16.9 million was directly invested in commodity programmes; €4.1 million was invested in personnel. Around 50% of the personnel costs (€2.1 million) relate to Solidaridad the Netherlands; much of the remaining personnel budget (€1.9 million) goes to local programme managers, who manage and support projects in the field. Other costs (€1.8 million) are mainly (61%) investments by the Dutch office in communication, travel and office costs.

The total workforce of the Solidaridad network (employees and long-term contractors) consisted of the full-time equivalent (FTE) of 188 employees (2011: 124). This increase (52%) reflects the rapid growth of the Network in 2012.*

SOLIDARIDAD NETWORK



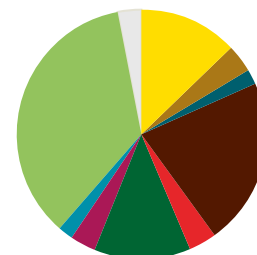
* Total personnel (FTE, employed and freelance) 31 December 2012

THE SOLIDARIDAD NETWORK FINANCIAL OVERVIEW

Because the Solidaridad network is not structured as a traditional group entity with a parent company and subsidiaries, it does not prepare consolidated accounts. However, the figures below, which represent investments in programmes, have been removed from the financial flows of funds between Solidaridad regional organisations.

The four biggest of these are Solidaridad the Netherlands, Solidaridad West Africa, Solidaridad South America, and Solidaridad Eastern and Central Africa. These four organisations are also the most mature ones, with a high level of internal controls in place. In 2013 the focus will shift to strengthening the other network organisations from this point of view and aligning costs-fundraising ratios.

There is a significant difference in the ratio of HR costs to total costs among the nine organisations in the network. This is due to the way these organisations manage projects: some hire external project implementers, while others hire employees, which results in relatively high HR costs. These different approaches often depend on legal requirements and on what is common practice in a country or region.



Total actual 2012 of the Solidaridad network per region.

SOLIDARIDAD NETWORK

	Solidaridad South America	Solidaridad Andes	Solidaridad Central America	Solidaridad West Africa	Solidaridad Southern Africa	Solidaridad Eastern and Central Africa	Solidaridad South and South-East Asia	Solidaridad China	Solidaridad the Netherlands	Solidaridad Network secretariat	Total
Coffee	29,000	221,000	181,000			1,381,000	31,000		426,000		2,269,000
Tea	107,000				71,000	129,000	138,000	67,000	80,000		592,000
Cocoa	8,000	5,000	40,000	3,446,000			20,000		106,000		3,625,000
Fruit and vegetables	4,000	29,000		6,000		1,066,000			2,000		1,107,000
Cotton				94,000	200,000	7,000	11,000	181,000	1,898,000		2,391,000
Textiles							36,000		441,000		477,000
Gold	5,000	59,000		130,000		37,000			101,000		332,000
Soy	1,334,000						119,000	40,000	213,000		1,706,000
Palm oil	179,000	20,000		784,000					231,000		1,214,000
Sugar cane	579,000				160,000	19,000	165,000		54,000		977,000
Livestock	103,000								35,000		138,000
Other	424,000	19,000		15,000	111,000	32,000	24,000		1,462,000		2,086,000
Total programme investments	2,772,000	353,000	221,000	4,475,000	542,000	2,671,000	544,000	287,000	5,049,000		16,914,000
HRM	143,000	403,000	151,000	469,000	190,000	201,000	133,000	153,000	2,118,000	184,000	4,146,000
Office and other costs	125,000	94,000	47,000	156,000	78,000	86,000	51,000	41,000	1,116,000	522,000	2,316,000
Actual 2012	3,040,000	850,000	420,000	5,100,000	810,000	2,958,000	728,000	481,000	8,283,000	706,000	23,376,000

* Solidaridad the Netherlands figures exclude contributions by the Netherlands to other Solidaridad expertise centres

RURAL HORIZONS, A NEW SOLUTION FOR FARMERS

The Rural Horizons producer support and loyalty programme is an integrated software solution that offers farmers a self-assessment tool which they can use to measure their sustainability in terms of law, certification schemes and performance. Rural Horizons also provides farmers support with certification, finding a market for their produce and to minimize costs.

REGIONAL MARKET DEVELOPMENTS

Solidaridad South America intends to use the Rio Olympic Games in 2016 to promote sustainability by linking up with the main sponsors. The focus is on sugar-cane brands. In 2012 an important step forward was the implementation of Rural Horizons with 256 producers and 17 sugar mills owned by the Cosan-Shell Joint Venture Raízen, the largest sugar consortium in the world. In 2013, another 3600 farmers will join. The provisional results were presented by Solidaridad and Raízen at the annual general meeting of Bonsucro in London.

CONCEPT DEVELOPMENT

Rural Horizons involves a four-step approach. It supports farmers with self assessment – making gap analyses in relation to mandatory legal as well as voluntary standards. A computerised database will provide a rich centre of know-how and expertise. First tests are underway with cotton, livestock and soy. For these commodities, legal compliance is the challenge. For tea and cacao, it is more about certification and market demand. Rural Horizons can become a global tool for Solidaridad.

First farmers assess the sustainability of their production systems. They answer questions on farm management, agricultural practices, protecting natural resources, labour conditions, and the health and safety of rural workers. These are used to generate roadmaps and farmers measure their performance against benchmarks as well as set priorities and create actions plans.

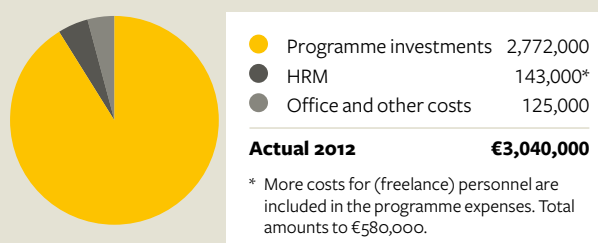
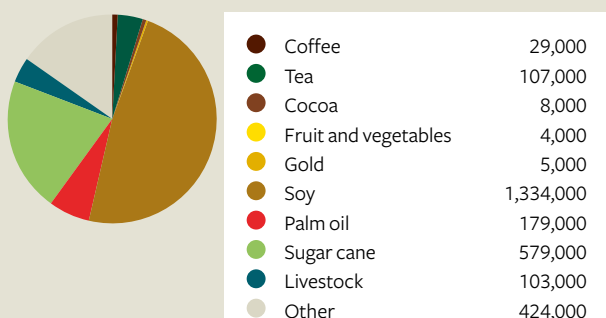
Most work takes place through commodity Roundtables, starting with initiatives designed to eradicate bonded labour, child labour, discrimination and illegal deforestation. The first aim of all Roundtables is to move towards legal compliance. The next step is to establish the voluntary elements of the standards, and get these certified in third-party audits. Finally, there are initiatives for moving towards integrated management, including cross-cutting tools such as REDD+ (tackling deforestation) and sustainable landscapes.

CROSS-CUTTING THEME: SUSTAINABLE LANDSCAPES

There are increasing numbers of requests for support with multiple commodity (sugar cane/soy, soy/cotton and beef/soy) and multiple standard certification (e.g. ISCC/RTRS/ Bonsucro/GRSB). There is considerable potential to develop 'landscapes of excellence', including multi-commodity, multi-buyer, multi-tool matrix interventions. These take place in selected focus regions on-farm, off-farm, and in an enabling political environment.

ORGANISATIONAL DEVELOPMENTS

In 2012, the South America team was strengthened in order to manage Result-Based Management (RBM), Promis, the regional website and support further development of the Rural Horizons tool and database/website. RBM is used to provide evidence of positive impacts on people, society and the environment to five large governmental donor agencies.



Personnel Solidaridad South America in FTE



To contact Solidaridad South America go to solidaridadnetwork.org/southamerica

CREATING PLATFORMS FOR SUSTAINABLE TRADE

In 2012 platforms were launched for trading sustainably in coffee, bananas and flowers in Colombia and bananas in Peru. In June, Colombia's Minister of Agriculture, the Dutch Minister for International Cooperation and the heads of the Trading & Producers Associations signed public declarations in support of sustainable production and trade, setting development targets for 2015.

REGIONAL NETWORK

In this region it's all about exports. Solidaridad supports multi-stakeholder platforms. In Colombia, local associations of producers help convene the main stakeholders and Solidaridad is in charge of the technical secretariat for each platform. This role includes using its expertise in commercial matchmaking, developing sustainable trade in international markets and helping stakeholders to organize public-private partnerships.

After almost three years of technology adaptation and further adoption for coffee rehabilitation, the coffee producers in San Martin, Peru have achieved significant increases in yields and income. This process was facilitated by Solidaridad. Local coffee promoters play a similar role in a project in Antioquia, Colombia. A technology recipe is not generally copy-pasted from one region to another, but farmers can learn a great deal about how they can become more productive.

CENBANOR, a second level association of banana producers started the direct export of organic and fairtrade bananas to European markets in 2012. For a decade, Solidaridad has supported the conversion of individual banana growers into organized associations capable of managing the commercial operation of getting organic and fairtrade bananas from farm to port. In 2012 Solidaridad started moving to the next level: supporting a local platform with convening banana producer associations, companies, CSOs and government entities in order to remove the main barriers to sustainability.

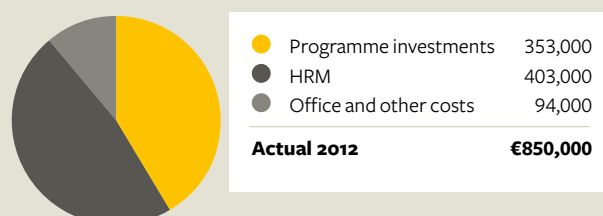
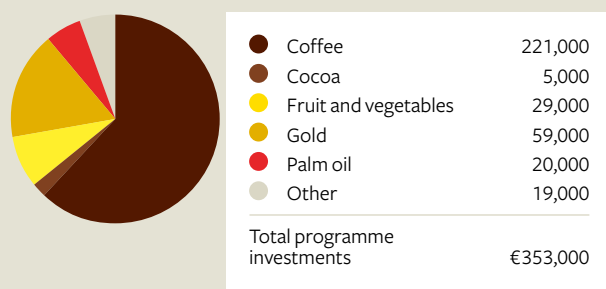
Work on responsible gold with artisanal miners is new for Solidaridad. In developing fairtrade certified gold mining it's important to assemble the appropriate logistics from the mine to gold ready for export, identifying pioneers as certified suppliers of fairtrade gold. The knowledge and expertise of local partner CSO Red Social – as well as that of more advanced miners – is fundamental here.

CROSS-CUTTING THEME

In three programmes (coffee, fruit and gold) training tools and methods are being adapted and implemented through intra-learning, for instance adapting what works among coffee producers for the banana sector. E-training tools and better printed materials are good examples of this approach.

ORGANISATION

In 2012 the former financial controller replaced the general accountant as Financial Manager. A new post has been created: Communications and Administration Manager, who also handles PME and PROMIS. In 2012 the Programme Manager for gold was responsible for the new agri-commodity programme. The new Sustainable Trade Platform programme in Colombia will require the recruitment of five full-time people in 2013.



Personnel Solidaridad Andes in FTE



To contact Solidaridad Andes go to solidaridadnetwork.org/andes

ROUNDTABLES TAKE HOLD IN THE REGION

In 2012 Solidaridad moved from pilot projects in RSPO and Bonsucro certification to developing a strong regional presence as the leading organisation for implementing sustainable agriculture, environmental and social practices in the palm-oil and sugar-cane sectors. One project alone will involve over 80% of the Honduran palm-oil sector adopting sustainable practices.

REGIONAL NETWORK

Solidaridad Central America is creating a unique sectoral-wide business approach for environmental, agricultural and social sustainability that is unlike anything else in the region. Dynamic and highly participatory consortia that mirror the role and function of the Roundtables on a global scale have formed, facilitating rapid transformation, continuous dialogue and investment opportunities for long-term growth and performance. The main partners in our work include WWF for agricultural innovation, SNV for inclusive business practices and ILO/SIMAPRO Mexico for social issues.

MARKET DEVELOPMENT

The Program of Sustainable Quality (PROCASO) matured in 2012 from a donor-supported technical assistance branch of Solidaridad, into a fee-for-service organisation that works directly with coffee exporters in the certification and professionalization of their supply chains. With demand for diversification and adaptation increasing regionally, PROCASO is expected to diversify their portfolio to include cocoa in 2013, and other commodities as opportunities arise. Solidaridad's visibility in Central America has increased significantly through participation in industry events and the involvement of multi-nationals in national commodity- focused consortia.

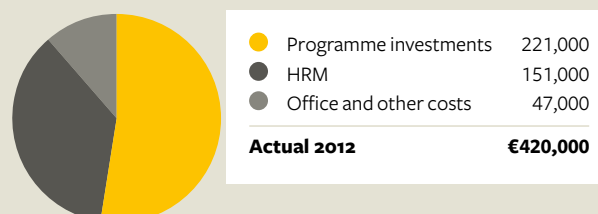
CROSS-CUTTING THEMES

In 2012 the seeds were planted for future efforts in relation to child labour and worker's rights in both the palm-oil and sugar-

cane sectors, amid ongoing efforts in Smart and Sustainable Land Use. The devastating coffee leaf rust outbreak in the region is creating opportunities for crop diversification and adaptation related to Climate Smart Agriculture, as well as a renewed focus on food security for vulnerable families who are struggling to stay on their farms as coffee productivity drops.

ORGANISATION

Under new leadership, Solidaridad Central America has installed internal management and communication systems that are harmonized with the entire Solidaridad Network. Long-term partnerships that have been strengthened as well as new ones are making Solidaridad a cutting-edge organisation for transformation in the region.



Personnel Solidaridad Central America in FTE



To contact Solidaridad Central America go to solidaridadnetwork.org/centralamerica

SMALLHOLDER PALM OIL FOR LOCAL MARKETS

Solidaridad West Africa has strengthened relationships with private sector partners, government agencies and producer groups across the region in oil palm, cocoa, cotton and gold. A €12 million grant from the Dutch Embassy will fund a large-scale palm-oil programme for the next four years.

REGIONAL NETWORK

The network includes companies, knowledge partners, governments and CSOs. Partnerships were built with trading companies in cocoa such as Cargill, ECOM, Touton and Noble Resources and in palm oil with Unilever and Wilmar. Knowledge partners include the International Plant Nutrition Institute in Kenya, which is developing protocols for best management practices for the palm-oil programme, and universities such as Wageningen on mapping the oil palm sector and Erasmus on baseline and impact assessments for gold, in collaboration with the University of Cape Coast in Ghana. The ministries of agriculture in Nigeria, Ivory Coast and Ghana are also involved. Key CSO partners are WWF, Conservation Alliance and GIZ.

MARKET DEVELOPMENT

Solidaridad engages with Unilever in a partnership to integrate smallholders in their palm oil supply chain for West Africa by guiding them to produce more sustainably. Unilever will provide support by integrating traceable smallholder palm oil from a sustainable source into their supply chain through RSPO certification. The oil will be processed in local and regional factories.

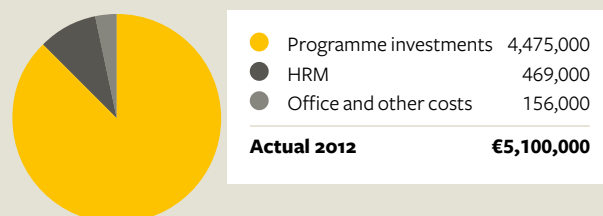
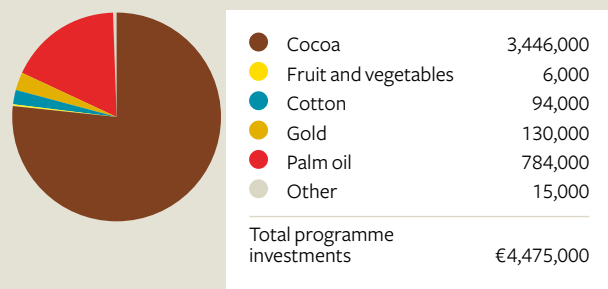
CROSS-CUTTING THEMES

Smart and sustainable land use is addressed in all programmes. In oil palm best management practice plots showcase the potential of small-scale approaches. In cocoa collabora-

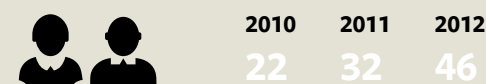
tion with a consortium in Ghana on rural service centres will start in 2013. Via these centres farmers will be able to double productivity through access to improved planting material and fertilizers and rehabilitation services such as grafting. Within annual crop programmes there is training on conservation farming and demonstration farms have been established. This will improve yields, mitigate the risk of draught and erosion while maximising organic matter in the soil.

ORGANISATION

In 2012 Solidaridad West Africa doubled its turnover. With four-year funding from the Dutch Embassy in Ghana, a regional sustainable oil-palm programme started, focusing on improving the productivity of small and medium-sized farmers and mills. The funding base has been diversified with support from new companies, WCF and the Bill & Melinda Gates Foundation. The office has recruited experts on commodity programme management and a communication & knowledge manager is developing a virtual knowledge centre for sustainable palm-oil production and writing brochures. New programmes for which proposals were developed in 2012 include maize and soy bean for Ghana as well as cotton programmes in Mali and Senegal.



Personnel Solidaridad West Africa in FTE



To contact Solidaridad West Africa go to solidaridadnetwork.org/westafrica

FORMING PARTNERSHIPS ACROSS THE REGION

Many key partnerships were formed in 2012 — with the private sector, other international CSOs, local CSOs, governments, universities and funding agencies. Over one hundred of these partners attended a conference in May in Pretoria exploring regional aspects of the Solidaridad theme: Making markets work for the poor.

REGIONAL NETWORK

Solidaridad Southern Africa focuses on sugar, soy, livestock, cotton, biomass and tea. In South Africa the most important projects are in sugar, livestock, cotton and rooibos. In Mozambique, the emphasis is on cotton, soy, black tea and agroforestry, in Zambia on cotton, and in Malawi it's on sugar, soy and black tea. Food security is a theme that cuts across all cash-crop programmes; this involves the production of staple crops such as maize and cassava, along with beans, groundnuts and soy (as a food crop). Solidaridad cooperates with a number of companies, notably with Olam and JFS (cotton and food crops), Mondelez (former Kraft) and Illovo (sugar), as well as various government entities and embassies. The regional office is expanding cooperation with regionally-based offices of international organisations such as Concern Universal, TechnoServe, WWF, and the Southern African Trust. It has partnered with local producer organisations such as NASFAM in Malawi, CAZ in Zambia and Fonpa in Mozambique and local CSOs such as Abiodes in Mozambique and Lima and the Cane Growers Association in South Africa.

MARKET DEVELOPMENT

The region is involved in developing a sustainable cotton supply chain, for example by working closely with two large commodity supply companies (Olam and JSF) and by involving producer associations and the textile and retail sector further up the value chain. Farmers in Mozambique also receive support in producing sustainable biomass and

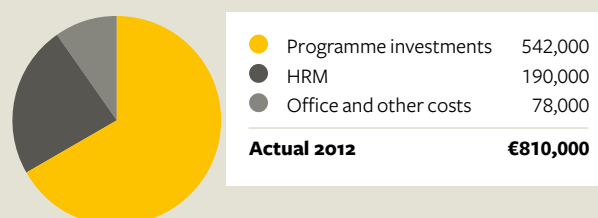
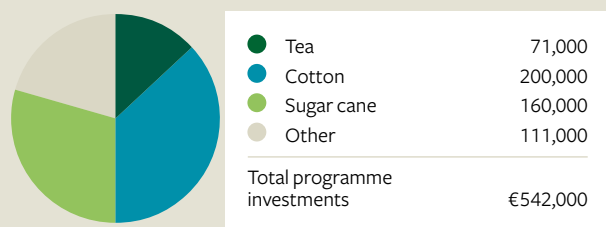
creating a local-to-local market for charcoal and energy from biomass. The aim is to improve yields, strengthen livelihoods for smallholders and introduce improved sustainability methodologies.

CROSS-CUTTING THEMES

Alongside initiatives to improve food security, the regional office is developing user-friendly information management and self-assessment tools. These currently focus on the sugar sector, but plans are also being made to expand this programme to cotton, soy and biomass. This work involves inter-regional cooperation with the South American office. The system is an e-tool that will improve the ability of producer associations and smallholders to implement sustainable management systems, access certification and verification schemes and thus improve market access.

ORGANISATION

The Southern African regional office moved from Botswana to Pretoria in South Africa at the beginning of 2012. There are now six full-time and three part-time staff in Johannesburg and one employee in Mozambique since a sub-office was opened in Maputo. It is expected that regional capacity will expand in 2013-14 as new programmes come on line.



Personnel Solidaridad Southern Africa in FTE



To contact Solidaridad Southern Africa go to solidaridadnetwork.org/southernafrika

FROM SUBSISTENCE TO COMMERCIAL FARMING

A key development in 2012 was approval of funding by the Netherlands Embassy in Kenya for a Horticulture and Food Security programme in which Solidaridad is the leading organisation as part of a consortium involving Hivos and SNV. The programme takes smallholders from subsistence to commercial farming.

REGIONAL NETWORK

Solidaridad Eastern and Central Africa works with producer organisations, governments, civil society organisations and companies. There is collaboration with Armanjaro, Volcafe, Sucafina, ECOM, DEG and the Bill and Melinda Gates Foundation on coffee projects in the region. There is also collaboration with the Ethical Tea Partnership (ETP), Rainforest Alliance, the Kenya Tea Development Agency, East Africa Tea Trade Association and a partnership with Fairtrade Foundation and the Alliance for Responsible Mining on gold projects.

Key success factors include contract agreements and Memorandums of Understanding at the start of projects, so that the roles and responsibilities of each partner are clear. Having a leading organisation such as Solidaridad and establishing steering committees composed of members from all partners is vital. There are regular conferences to maximise the involvement of partners and beneficiaries and the participation in regional, national and international forums.

MARKET DEVELOPMENT

A tea factory called Iria-ini in Kenya was supported with capacity building and branding. As a result, the factory has been able to introduce a successful new product in the local market. In coffee there was collaboration with Savannah Commodities Ltd in Uganda, which stimulates consumption of local coffee and in South Africa with a local roaster – Bean There – to promote Utz Certified coffee, which is purchased in East Africa and sold to over 30 supermarkets in South

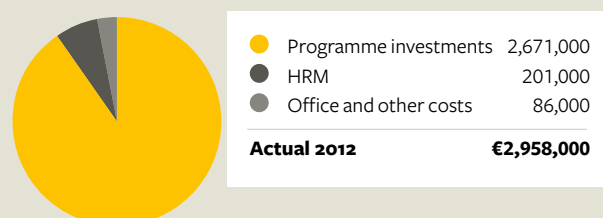
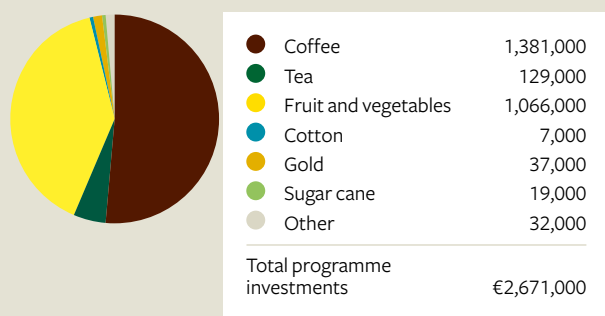
Africa. In Kenya, groups of smallholder horticulturalists now have two new market outlets. Solidaridad helped them grow better products – and sell them in supermarkets – and has linked them to exporters, who sell their fresh produce to EU markets, especially the Netherlands.

CROSS-CUTTING THEMES

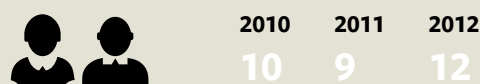
Gender is integrated in all programmes, including training workshops for the management and staff of partners in coffee, tea and horticulture and there are projects designed to involve the younger generation in coffee production in Ethiopia, Kenya, Tanzania and Uganda. To promote climate change adaptation and mitigation there is a partnership with ETP on developing training materials for field staff and training of trainers and tea extension services assistants. A climate change symposium featured a Solidaridad study using the Cool Farm Tool to measure carbon footprint on Utz certified coffee farms and thus address adaptation and mitigation.

ORGANISATION

The Solidaridad Africa Foundation was established and Solidaridad Eastern and Central Africa was certified for ISO 9001:2008. The co-director left and a new one was appointed. Three new programme managers were engaged (for horticulture, gold, cotton and sugar cane) and an office manager was employed. A continental board was set up.



Personnel Solidaridad Eastern and Central Africa in FTE



To contact Solidaridad Eastern and Central Africa go to solidaridadnetwork.org/eastcentralafrica

FOOD SECURITY PROGRAMME IN BANGLADESH

In November 2012, a grant of €12 million was received from the Dutch Embassy in Bangladesh for the Sustainable Agriculture Food security and Linkages programme (SAFaL). This will help 200,000 smallholders in Southwest Bangladesh adopt sustainable practices in dairy farming, horticulture and aquaculture, while improving food security.

STRENGTHENING THE REGIONAL NETWORK

Solidaridad South and South-East Asia (SSEA) views partnerships as critical for addressing the difficult problems of poverty, environmental degradation and weak governance in the region. Partnerships based on equity, transparency and mutual benefit have been established in a range of agricultural commodities. These include a Memorandum of Understanding with Hindustan Unilever Limited and IDH on creating an Indian sustainable tea code and supporting 540,000 workers and smallholders in India with sustainable farming practices from 2012-16. There was underspending in the tea programme in 2012 due to delays in transferring resources and getting approval from industry stakeholders.

Another important partnership involving International Finance Corporation (IFC) is helping 200,000 small-scale farmers and 14 sugar mills across India to create a sustainable sugar-cane supply chain. This major programme, with \$5.5 million in funding, runs from 2012 until 2016.

NEW-MARKET DEVELOPMENT: A SHIFT OF FOCUS

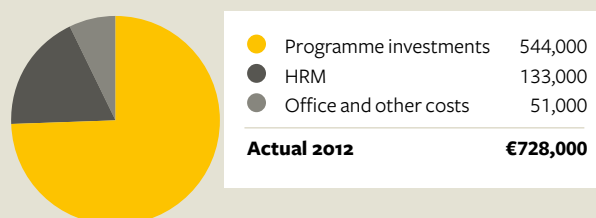
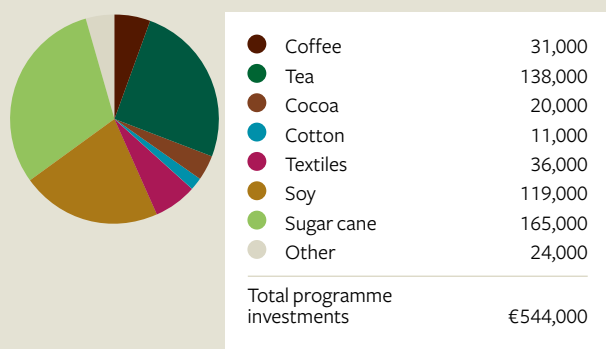
Changes are underway, driven by market players and market forces. Whereas in the past the focus was on sourcing in developing countries for markets in OECD countries, now Asia itself is the main market for most agro-commodities. Solidaridad SSEA is working with global businesses to sustainably transform the markets for tea, cotton and garments in India as well as those for tea, cocoa and palm oil in Indonesia.

CROSS-CUTTING THEMES

Classic Solidaridad themes such as smart sustainable land use, gender and farmer training are an integral part of all programmes. Measures are being undertaken to ensure that women are equal partners in SSEA programmes and many smallholders across the region are women. Given the Indian government's requirement for 5% ethanol to be blended with petrol from June 2013 (requiring 1,000 million litres), making bio-based energy available is an important component of the sustainable sugar-cane programme.

ORGANISATIONAL DEVELOPMENTS

The past year has seen rapid growth. Starting with a single office in Delhi, eight offices are now being set up across the region. The current staff of 8 FTEs is expected to grow to 60 FTEs by the end of 2013. To manage this evolution, a regional management committee is being set up, a new HR system, smarter software, and PME are being introduced, and the Promis project management system is being integrated into programme management.



Personnel Solidaridad South and Southeast Asia in FTE



To contact Solidaridad South and South-East Asia go to solidaridadnetwork.org/ssea

INTERVENTION STARTS WITH FARMERS' AMBITION

Solidaridad China's approach is to convince producers to invest in sustainability by first listening to their ambition for quality improvement and market access. Such an approach meets both international requirements and farmers' needs.

REGIONAL NETWORK AND MARKET DEVELOPMENT

Over the past few years, Solidaridad has set the stage for the Better Cotton (BCI) launch in China in 2012, which will lead to more large-scale BCI projects as well as spin-offs for Solidaridad. H&M is closely involved with Solidaridad's cleaner textile production programme, which resulted in around two million metric tons of water being saved and re-used. H&M and Solidaridad are now working on targeting a further 75 factories. Solidaridad China is also building a joint task force with the Market Transformation Initiative team of WWF China to strengthen demand and mobilise support for sustainably produced products such as certified soybean, palm oil and sugar cane.

In collaboration with the Chinese Tea Marketing Association, Solidaridad has been promoting the concept of responsible consumption among consumers in China. It is also working with China's biggest online store (Alibaba) to create online sales space for sustainable products. More importantly, Solidaridad is helping WWF China to build a responsible procurement forum among China's top ten retailers, which will not only manage supply chain risks, but also promote sustainable consumption among Chinese consumers.

PARTNERSHIPS

Due to the enormous scale of both production and market in China, to promote sustainability in an effective way, Solidaridad mainly relies on stakeholder platforms (some of which it helped create) to build alliances and make joint

efforts. Besides working with industry associations, there is a new strategy to build partnerships with Chinese government departments with the aim of generating extra funds for innovation and technical improvements.

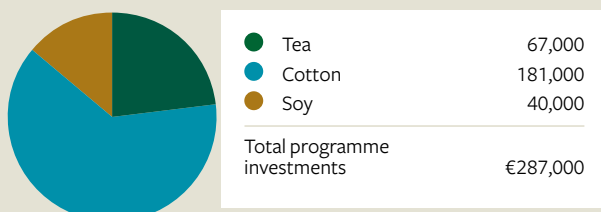
In 2012, Solidaridad's intervention resulted in tangible, measurable benefits for over 10,000 farmers, including tea farmers from Myanmar, who crossed the border to attend an in-depth programme in Yunnan province.

CROSS-CUTTING THEME

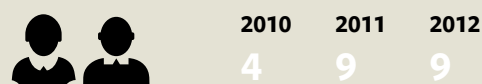
Solidaridad takes an in-depth approach to addressing farmers' needs, while helping them meet international requirements. This approach has proven effective in winning trust from producers and is crucial to maintaining their commitment to moving towards sustainable production when there are still insufficient incentives from the market.

ORGANISATION

In 2012 Solidaridad China doubled in size to eight FTEs, restructured its management system and created an independent financial management system. By the end of the year a stable management structure was in place, including the recruitment of an FSP liaison, a financial controller and a specialist in creating decent working conditions in agriculture.



Personnel Solidaridad China in FTE



To contact Solidaridad China go to solidaridadnetwork.org/china

CAMPAIGNS RAISE SOLIDARIDAD'S PROFILE

Three eye-catching campaigns have raised Solidaridad's public profile in the Netherlands: 'Why poverty,' in collaboration with public broadcasting; 'For the love of chocolate,' with Mars; and the market launch of 'good gold,' in collaboration with twelve goldsmiths and jewellers. Solidaridad's higher profile has led more and more people, government bodies, foundations and companies to support its work.

FUNDRAISING

The Solidaridad team in Utrecht shares the responsibility for sourcing the funds needed for the programmes and projects of our partners in developing countries. In 2012, Solidaridad in the Netherlands received €19.1 million, 26% more than expected.

As more and more government bodies, endowments and companies across Europe are providing support, we expect strong growth in the years ahead.

SUSTAINABLE MARKET DEVELOPMENT

Solidaridad Nederland works with many companies in Europe to make their production chains more sustainable. The collaboration focuses on advising producers in developing countries, on certifying products and on developing markets and consumer demand. More and more programmes are co-financed by the companies concerned, whether through a direct financial contribution to Solidaridad (€2.9 million in 2012), or more often through direct co-financing of the producers' development programmes (€3.3 million in 2012).

THE CAMPAIGNS

In 2012, Solidaridad conducted three campaigns in the Netherlands: the 'Why poverty?' and 'For the love of chocolate' campaigns, which took our message to a total of 16 million people and the campaign for 'Good Gold,' which was supported by the National Postcode Lottery. This drew attention to the miserable circumstances in which gold

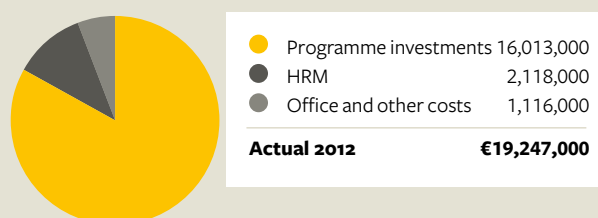
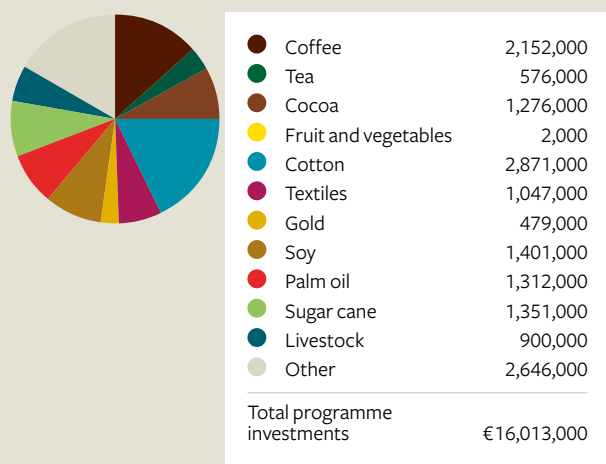
is mined and to the alternative developed by Solidaridad and its partners. 'Fairtrade and Fairmined' (FT&FM) gold is now available at a growing number of retail outlets in the Netherlands.

INFLUENCING POLICY-MAKERS

Solidaridad advises companies on how to change their policies and make the economy more sustainable. Solidaridad doesn't act as a consultant in this respect, but as a 'corporate challenger'. We challenge companies to be more ambitious and to initiate real change. The idea is that companies become active participants and share in the costs. Solidaridad also has a voice in the debate about the future of the Dutch government's development cooperation policies. In our view, aid and trade are perfectly compatible, as long as the focus is on sustainable economic development.

ORGANISATION

In 2012, Solidaridad in the Netherlands put a lot of effort into improving quality management systems. The Promis management information system and the Results-Based Measurement System have been rolled out. This has greatly increased our capacity to manage, steer, make corrections and learn.



Personnel Solidaridad the Netherlands in FTE



To contact Solidaridad the Netherlands go to solidaridadnetwork.org/netherlands

NEW REGIONAL OFFICE IN SAN FRANCISCO

As major importers of agricultural products, including significant volumes of Solidaridad's core commodities, the US and Canadian markets are vital to achieving Solidaridad's mission. In 2012 alone, US imports of coffee amounted to \$8.9 billion, cocoa \$4.1 billion, vegetable oil \$6.4 billion, fruit \$12.5 billion, and sugar and sugar-based products were worth \$4.8 billion.

THE OPPORTUNITY

A rapidly growing number of North American companies are committing to sustainable supply chains. For example, Mars is committed to sourcing 100% of its cocoa from sustainable sources by 2020, Starbucks has announced its aim to source 100% of coffee by 2015 and Dunkin' Donuts recently announced a commitment to buy only sustainable palm oil. An increasing number of platforms such as the Consumer Goods Forum and The Sustainability Consortium are helping to secure similar commitments from even more companies across the region.

The Solidaridad Network is poised to build on this momentum. By bringing its unique international experience in developing standards, building producers' capacity to improve their livelihoods and linking them to end markets, Solidaridad can help North American companies meet their commitments and encourage others to follow suit. It can also create new market linkages for producers across its international network.

To achieve their goals, North American donors are keen to use their funds to leverage private sector finance. Solidaridad's track record of developing public-private partnerships, through, for example, the Farmer Support Programme, can make a valuable contribution. Lastly, there is growing interest in the social entrepreneurship model in North America. Solidaridad has been at the forefront of helping farmers become better entrepreneurs and creating companies to fill gaps in sustainable value chains.

APPROACH

The establishment of the North America office will allow Solidaridad to engage strategically with key market players across the region. In the short term, the office will focus its efforts on fundraising and identifying opportunities for market development. In the medium term, it plans to expand its aims to influence policy and raise consumer awareness with regard to sustainable consumption of Solidaridad's 'core' commodities. The North America office will also support network-wide activities designed to promote sustainable land use, reduce emissions from agriculture and adapt to climate change.

ORGANISATION

In the second half of 2012, the North America office appointed three board members and started supporting fundraising and market development efforts for the network. In December, Solidaridad North America became a legal entity in the US. The San Francisco-based office currently comprises one staff member, with two additional hires planned for 2013, one of whom will be located on the East Coast.

The establishment of the North America office will allow Solidaridad to engage strategically with key market players across the region.

To contact Solidaridad North America go to solidaridadnetwork.org/northamerica



GOVERNANCE

- SUPERVISION, MANAGEMENT AND ORGANISATION
Full supervisory structure nearly in place

FULL SUPERVISORY STRUCTURE NEARLY IN PLACE

The Solidaridad Network aims to be an effective, influential, innovative learning organisation with a reputation as being among the best in the field of international development cooperation. This requires checks and balances throughout the organisation. A fully operational network supervisory structure, which has been developed in recent years, will be completed by the end of 2013.

NETWORK STRUCTURE

SUPERVISION

The new supervisory structure is intended to ensure that the Network is seen as a credible organisation with a transparent, responsible, cost-effective system of supervision, and one that affirms Solidaridad's vision, programme and working methods. Its fundamental principles are to ensure a high degree of autonomy for the regional expertise centres, fostering solidarity by means of global strategies for each commodity sector, a professional approach to maximising the programmes' impact, and a shared vision and mission.

The International Supervisory Board (ISB) is the highest (international) level. The ISB monitors policies, the quality of programmes, financial control and the performance of the Executive Board of Directors. The ISB is guided in the performance of its task by the interests of the Solidaridad Network.

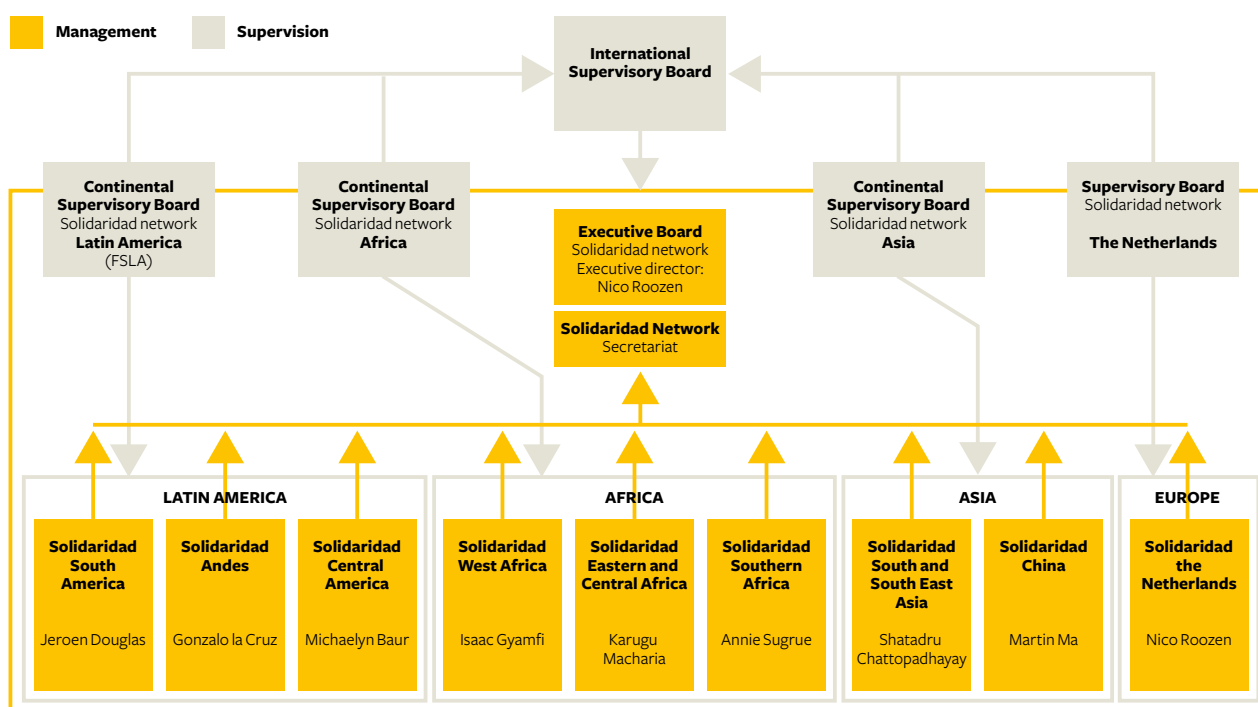
Four Continental Supervisory Boards monitor the regional programmes and the most recently established of these – the

African Supervisory Board – was set up in 2012. The Continental Supervisory Boards each delegate one member to the International Supervisory Board, which will be established in 2013. Until then, the members of the Supervisory Board of Solidaridad the Netherlands also comprise the International Supervisory Board.

MANAGEMENT

The global executive level is formed by the meeting of the directors of the nine Solidaridad organisations, which constitutes the decision-making Executive Board of Directors (EBoD). The EBoD is the policy-making body, providing policy coherence, consistency and relevance and it is also responsible for implementing policy. The EBoD is chaired by the International Executive Director, Nico Roozen. To assist the EBoD in its activities, a network secretariat was founded (Solidaridad Network Foundation). This international secretariat supports the EBoD in aligning and implementing international policies, coordinating financial management, Planning, Monitoring & Evaluation (PME), and with information technology support systems.

Solidaridad Network



REGIONAL EXECUTION

The nine Solidaridad organisations are responsible for coordinated global programmes. Regional management is the responsibility of the individual directors, who lead their regional office and staff. The regional Solidaridad organisations, which are responsible for programme development, are legally clustered at the continental level, producing consolidated policy development and financial statements within one legal entity per continent. The continental legal entities are affiliated to the Network. This allows joint policy development as well as hiring and firing of directors and ensures that operations are financially autonomous. The regional Solidaridad organisations are legal branches of the continental entities, thus avoiding national board structures.

SUPERVISION

THE INTERNATIONAL SUPERVISORY BOARD

The International Supervisory Board (ISB) will be formed by representatives of the four (continental) boards in 2013. Until the new ISB is in place, the Supervisory Board of Solidaridad the Netherlands will include international supervision among its tasks.

At the end of 2012, the Supervisory Board of Solidaridad the Netherlands consisted of Saskia Borgers, Ton Geurts (chair from July 2012 onwards), Maarten van der Graaf, Gerrit Meester, Theo Jan Simons, Marieke de Wal and Albert Jan Zonneville. In 2012 we said farewell to Roelf Haan, who chaired the Board until July 2012, and Jan van Hoof.

To guarantee the separation of functions and to prevent conflicts of interest, no close family or comparable relationships are permitted within and between the members of the Supervisory Board and the Management. The members of the Supervisory Board may not be Solidaridad employees or a board member, founder, shareholder, supervisor or employee of any organisation with which Solidaridad – in the normal course of its work – conducts any transactions that can be valued in monetary terms.

The Supervisory Board met four times in 2012. The most important topics discussed were:

- Strategy: developing a network organisation, evaluating the meetings of the Board of Directors in April and October, and deciding on the annual plan for 2013.
- Finance: finalising the annual report for 2011, discussing interim figures for 2012 and setting the budget for 2013.
- Management: introducing the new Supervisory Board and exploring options for expanding the Supervisory Board.
- Evaluation: The 2011 Annual Report and discussions on the sectoral programmes for cotton, textiles, sugar and soy.

Evaluation of the International Supervisory Board

The Dutch Supervisory Board (which also functioned as the International Supervisory Board during 2012) is relatively new; five of the seven members were appointed in 2011 and two in 2012. During its meetings in 2012, the Board regularly reviewed its own functioning. An evaluation is planned early in 2013.

Members of the Supervisory Board for Solidaridad the Netherlands, listing the most important of their other functions and appointments

Saskia Borgers

Member

Term ends December 2014

- Environmental sociology, environmental expert
- Haarlem municipality, Secretary/General Director
- Chairperson of Surplus (linking primary schools in North Holland)
- Member of the Arbitration Board of Bureau Integriteit Nederlandse Gemeenten

Ton Geurts

Chairperson

Term ends December 2014

- Master of (Dutch) Law
- Chief Procurement Officer for AkzoNobel

Maarten van der Graaf

Member

Term ends December 2014

- Master of (Dutch) Law
- Barrister and partner at Stek Advocaten

Gerrit Meester

Member

Term ends December 2014

- Doctor of Agricultural Economics
- Retired advisor on questions of agricultural policy to the Ministry of Agriculture, Nature and Food Quality
- Member of the Council for the Environment and Infrastructure
- Member of the Committee on Genetic Modification
- Member of the Board, Centre for World Food Studies (SOW-VU)

Theo Jan Simons

Member

Term ends December 2015

- MSc in Chemical Engineering
- McKinsey

Marieke de Wal

Member

Term ends December 2014

- MA in Philosophy
- Organisational researcher and consultant
- Network coordinator for the Partnerships Resource Centre / Rotterdam School of Management / Erasmus University
- Senior researcher at the Netherlands School Public Administration
- Member of the Supervisory Board of IKV Pax Christi

Albert Jan Zonneville

Member

Term ends December 2015

- Master of (Dutch) Law
 - Rabobank International
-

Remuneration of the Supervisory Board

In accordance with Solidaridad's statutes, the members of the Supervisory Board of Solidaridad receive no remuneration of any kind.

MANAGEMENT

EXECUTIVE BOARD OF DIRECTORS

The directors of the nine Solidaridad organisations are:

Region	Director
Solidaridad Central America	Michaelyn Bachhuber - Bauer
Solidaridad Andes	Gonzalo la Cruz
Solidaridad South America	Jeroen Douglas
Solidaridad Southern Africa	Annie Sugrue
Solidaridad West Africa	Isaac Gyamfi
Solidaridad Eastern and Central Africa	Karugu Macharia
Solidaridad South and South-East Asia	Shatadru Chattopadhyay
Solidaridad China	Ying (Martin) Ma
Solidaridad the Netherlands	Nico Roozen

More information on the additional tasks, functions and memberships of the Directors is documented in the annual reports of the various organisations.

INTERNATIONAL EXECUTIVE DIRECTOR

Nico Roozen is the Executive Director of the Solidaridad network, which is managed by the Executive Board of Directors (EBoD), and he is the statutory Director of Solidaridad the Netherlands. He is also a member of the Supervisory Board of Utz Certified, a member of the stakeholders' platform of the Business Social Compliance Initiative (BSCI), a member of the Dutch Taskforce on Biodiversity and Natural Resources, and he serves on the panel of the United Nations Forum on Sustainable Standards in Geneva. Since May 2012 he has been a member of the Supervisory Board of ASN Investment Funds N.V. and a member of the Supervisory Board of ASN Groenprojectenfonds. He chaired the Supervisory Board of Kuyichi International BV until 20 September 2012.

REMUNERATION OF THE DIRECTOR

The Supervisory Board updates its salary policy from time to time. The most recent evaluation was in October 2012. The Dutch Wijffels Code and the VFI's Adviesregeling Beloning Directeuren van Goede Doelen (Guidelines for the remuneration of Directors of philanthropic organisations) were taken as guidelines in the evaluation. The latter proposes a maximum norm for annual income, based on certain criteria. The Supervisory Board found the International Executive Director's position had a 'BSD' score of 460 points, for which the maximum full-time annual income is €124,233.

The actual annual income of the Director in 2012 – before this evaluation based on the VFI maximum – was €96,459 (25% below the maximum). The level and composition of this salary is explained top right.

Remuneration of the Director: Nico Roozen	2012	2011
Employment contract	Indefinite period	Indefinite period
Hours	36	36
Percentage of full time	100	100
Period	All of 2012	All of 2011
Remuneration (in euros)		
Gross salary	82,469	80,712
End of year bonus	6,845	6,699
Holiday pay	7,145	6,993
	96,459	94,404
Employer social security contribution	8,216	6,934
Taxable allowances	-	-
Employer pension contribution	21,408	20,211
Other benefits	-	-
Payments at termination	-	-
Total	126,083	121,549

Two thirds of this amount (€84,055) is paid by Solidaridad the Netherlands and one third (€42,028) by Solidaridad Network. Solidaridad provided no loans, advances or guarantees to the International Executive Director.

The remuneration of all Solidaridad directors is evaluated and scored on a similar basis as the remuneration of the International Executive Director.

ORGANISATION

ANNUAL AND LONG-TERM PLANNING

The Solidaridad network produces a long-term Strategic Plan, which shows how it translates its primary goal, mission and vision into operational objectives. This plan is drawn up by the EBoD and approved by the International Supervisory Board. The annual plans are a translation of the long-term strategic plan into more specific objectives, desired results, activities and budgets. Solidaridad makes its objectives measurable using indicators which are formulated using the SMART approach (Specific, Measurable, Attainable, Relevant and Time-bound).

A contextual analysis and evaluation of the previous annual plans of the nine organisations serve as guidelines when preparing the next annual plans. The directors write annual reports in February, which show whether the objectives and expected results have been achieved. These reports are evaluated by the International Executive Director.

Reports on fund-raising and management and the plans for these activities are also evaluated each year and approved by the International Executive Director. Solidaridad not only finances projects in developing countries – it also invests in making Western markets more sustainable by influencing policy-makers and through research. Solidaridad strives to maintain a healthy relationship between its operational costs and its total costs. It has decided internally that operational costs should not exceed 25% of total costs. This limit has been

set, by analogy to the limit that the Dutch Central Bureau on Fundraising (CBF) applies to the costs of an organisation's own fund-raising. Within these operating costs, Solidaridad seeks to keep the costs of management and administration as low as possible without endangering the quality of its operations. A percentage of between one and two per cent of all costs is considered to be a healthy proportion.

QUALITY MANAGEMENT POLICY

Solidaridad seeks to deliver high quality on all fronts. External auditors provide independent evaluations of the quality of each aspect of the operations of the Solidaridad network. Five out of nine expertise centres are certified under the ISO 9001:2008 norm. Internal audits and an external certification body regularly examine whether the quality management system meets requirements and whether progress has been made since the previous audit.

AUDIT OF ANNUAL REPORT AND ACCOUNTS

External reporting by all nine regional Solidaridad organisations and Solidaridad Network (the international secretariat) takes place through annual reports and accounts. These are verified by an auditor and accompanied by an auditor's opinion. Local auditors are appointed by the Continental

Supervisory Boards and appointments are reviewed and renewed annually.

PERSONNEL POLICY

Solidaridad is a knowledge-intensive organisation that depends on well-qualified staff. Its staff must be involved, motivated, innovative and customer-oriented. This is why Solidaridad devotes a lot of attention to recruitment and there is ample opportunity and sufficient budget for career development. Education and career development are discussed at every performance evaluation interview. Employees can apply to advance their education and internal courses are organised. Solidaridad also has a training plan that covers the entire organisation. This is evaluated each year.

ENVIRONMENT

Solidaridad minimises the impact of its work on the environment as far as possible, by re-using items, by purchasing sustainable products (office items with a green label, energy-efficient equipment, 'green' energy, organic lunches and sustainably produced coffee and tea), by separating its waste paper for recycling, and by making double-sided printing and copying the norm.

ORGANISATION DEVELOPMENT IN PROGRESS

The nine Solidaridad organisations that form the global network develop according a pattern. This model of organisation development defines three stages: initial, intermediate and mature. Each organisation is scored against several indicators of progress. Most of the Solidaridad organisations now score intermediate or mature on most of the indicators. The original plan was that in 2015 all organisations would achieve the mature phase. Progress is promising and, as a result, the goal may be achieved one to two years earlier.

Solidaridad network organisation development

	Legally established	Governance through supervisory board	Financial Management	ISO 9001:2008 certified	PROMIS Management Information	Results-Based Management	HRM quality systems	Fundraising capacity
Solidaridad South America	✓	✓	M	✓	I	I	I	M
Solidaridad Andes	✓	✓	M	–	I	I	I	I
Solidaridad Central America	–	✓	S	–	I	I	I	I
Solidaridad West Africa	✓	✓	M	✓	I	I	M	M
Solidaridad Southern Africa	✓	✓	I	–	I	I	I	I
Solidaridad Eastern and Central Africa	✓	✓	M	✓	I	I	I	I
Solidaridad South and South-East Asia	✓	✓	M	✓	I	I	I	M
Solidaridad China	✓	✓	S	–	S	I	S	S
Solidaridad The Netherlands	✓	✓	M	✓	I	I	M	M
Solidaridad North America	✓	✓	S	–	–	S	S	I
S Start up I Intermediate M Mature ✓ Established								

GLOSSARY

Agency NL	Dutch GO working on sustainability, innovation and international business
BCI	Better Cotton Initiative
Bonsucro	Global sugar-cane Roundtable
BSCI	Business Social Compliance Initiative
CIDIN	Centre for International Development Issues Nijmegen
CSO	Civil Society Organisation
DEG	Deutsche Investitions und Entwicklungsgesellschaft
ETP	Ethical Tea Partnership
ECOM	A global trading/processing company specialising in coffee, cotton, and cocoa
FTFM	Fairtrade and Fairmined gold
GRSB	Global Roundtable Sustainable Beef
Hivos	A Dutch NGO engaged in sustainability, social innovation and knowledge sharing
IDH	International Sustainable Trade Initiative
OECD	Organisation for Economic Co-operation and Development
PROCASO	Program of Sustainable Quality (Honduras)
REDD+	Reducing Emissions from Deforestation and Forest Degradation
RJC	Responsible Jewellery Council gold
RSPO	Roundtable on Sustainable Palm Oil
RTRS	Round Table on Responsible Soy Association
SNV	International NGO with an emphasis on reducing poverty
Utz	From Utz Kapeh, meaning 'Good Coffee' in the Mayan language Quiche
WWF	World Wildlife Fund

WE OPERATE AS A GLOBAL NETWORK OF REGIONAL EXPERTISE CENTRES

SOLIDARIDAD NETWORK

International Secretariat

't Goylaan 15, 3525 AA Utrecht,
the Netherlands
Tel +31 (0)30 275 94 50
info@solidaridadnetwork.org

SOLIDARIDAD CONTINENTAL FOUNDATIONS

Solidaridad Network Asia

Hong Kong
Contact via Solidaridad South and Southeast Asia

Solidaridad Network Latin America

(Fundación Solidaridad Latino America)
Panama City, Panama
Contact via Solidaridad South America

Solidaridad Network Africa

Nairobi, Kenya
Contact via Solidaridad Eastern and Central Africa

SOLIDARIDAD REGIONAL EXPERTISE CENTRES

Solidaridad South America

Federico Lacroze 1820, 1er Piso
Depto A y B, Ciudad Autónoma de Buenos Aires, CP: 1426, Argentina
Tel +54 11 47750741

Country office:

- Brazil, São Paulo
- Contact via Solidaridad South America

Solidaridad Andes

Av. Roosevelt N° 5866, Miraflores
Lima 18, Perú
Tel +51 1 4454242

Solidaridad Central America

15 Avenida 13-45, Zona 10, Oakland
Guatemala Ciudad, Guatemala
Tel +502 2366-5856 (ext. 115)

Solidaridad West Africa

Hse No. 40 Sir Arku Korsah Road,
Airport West, Accra, Ghana
Tel +233 (0)302 733129

Country offices:

- Ivory Coast, Abidjan
 - Cameroun, Yaounde
 - Nigeria, Akure
- Contact via Solidaridad West Africa

Solidaridad Southern Africa

105 Oxford Road, Saxonwold
PO Box 87286, Houghton 2041
Johannesburg, South Africa
Tel +27-11-7887952

Solidaridad Eastern and Central Africa

Kilimani Business Centre, Kirichwa
Road, off Argwings Kodhek Road
P.O. Box 675-0618, Ruaraka, Nairobi,
Kenya
Tel +254 (0) 716 666 862

Solidaridad South and South-East Asia

1st Floor, A-5, Shankar Garden
Main Najafgarh Road, Vikas Puri
New Delhi - 110018, India
Tel +91 (11) 2551 5122/3

Country offices:

- Bangladesh, Dhaka
- Indonesia (in formation; foreseen for May 2013, West Java)

Contact via Solidaridad South and South-East Asia

Solidaridad China

Room 1407, Building A, New World
Plaza, Chongwen District
Beijing 100062, China
Tel +86 10 6708 9110

Solidaridad the Netherlands

't Goylaan 15, 3525 AA Utrecht,
the Netherlands
Tel +31 (0)30 2720313

Solidaridad North America

(in formation)
3180 18th Street, Suite 205
San Francisco, CA 94110, USA
Tel +1 415 449 9906
Mobile +1 415-812-8012





Photo: Piet den Blanken

Sugar-cane cutter in Nicaragua

Cane cutting provides millions of people with an income. It is one of the most demanding jobs there is. Cane cutters work from dusk to dawn in air that is thick with ashes from pre-harvest burning, working in temperatures up to 40 degrees C. It is also dangerous work, and many cane cutters are trapped in a cycle of poverty and health problems for generations.

People like this sugar-cane cutter form the basis of the growing global business in sugar and ethanol, a business that is diversifying into automotive fuels and plastics, as sugar cane is increasingly used to replace oil. Yet, in many countries, the valuable contribution of sugar-cane cutters is not reflected in decent working conditions and an income that can help them break the cycle of poverty.

Solidaridad is working throughout South America, Africa and Asia to improve the position of sugar-cane cutters, by making them aware of their rights, building up their skills, working with their employers and governments to secure compliance with labour laws. We cooperate with well-known brands and Bonsucro, the global sugar-cane roundtable, to source responsibly. In 2013 Solidaridad will launch an international campaign to engage consumers and companies alike, encouraging them to make their contribution to changing the world of sugar cane.

You can support our work with a donation:

Solidaridad

't Goylaan 15

3525 AA Utrecht

The Netherlands

IBAN: NL45 RABO 0129 9111 51

BIC/SWIFT: RABONL2U

Solidaridad

CHANGE THAT MATTERS

www.solidaridadnetwork.org

www.solidaridad.nl