



Impact Report



Fair2C

Fiscal year 2023/2024

Word of the Board of Directors

Dear members,

In June, Fair2C completed its third full fiscal year. **This year was marked by many firsts!** Thanks to the previously donated dividends, we financed our first public event at the Kaffeerösterei Seehallen in Horgen in November 2023. Together, we enjoyed guided tours of the roastery and tasted Fairtrade organic coffee produced by the farmers of the Peruvian cooperative Juan Santos Atahualpa, which Fair2C has been financing since 2022.

Growing our community has remained an important focus this year. A few months ago, we welcomed our first Fair2C ambassadors to support the growth of our member base. They helped promote our coffee event in Horgen, distributed marketing material, and spread the word about our cooperative on other channels. Fair2C also held an information stand for the first time at a local market in Zumikon near Zürich.

In April 2024, we welcomed the Swiss pension fund Stiftung Abendrot as a member. Thanks to their significant capital contribution, we have been able not only to support more Fairtrade certified farmer organizations, but also to reduce our risk. We now have a better diversification of investments and improved coverage of fixed costs.



Word of the Board of Directors

Climate change remains a key concern for farming communities around the world, as extreme weather conditions can have a devastating impact on harvests and production. Instability in income is unsustainable for smallholder farmers, who suffer from dramatic climatic events and volatile prices.

At Fair2C, we believe that all farmers should receive stable, fair prices that reward their dedication to their plantations and enable them to improve their resilience to climate change. That's one of the reasons we trust the Fairtrade system! To date, Fair2C has offered financing solutions to 11 farmer organizations producing Fairtrade and organic coffee, all located in Latin America

To be able to support even more farmers, we want to strengthen and expand our community of impact investors. Therefore, in the next fiscal year 2024-2025, we will start organizing informal meet-ups between members from the same region. We also plan to hold more public events centered on Fairtrade certified products and the financing needs of smallholder farmers, raising awareness for our mission. We thank you for your continued support and look forward to developing Fair2C with you!

Your Board of Directors,

Christine Hofstetter

Daniel Gerber

Claudia Hafner

Introduction

The FairCapital Consumer Cooperative (Fair2C) achieves its impact by **prefinancing the production and export of Fairtrade certified products** (with a focus on coffee for now). This way, farmer organizations can make additional sales under Fairtrade conditions.

This third impact report focuses on the contribution of Fair2C and its investees to the following Sustainable Development Goals (SDGs): 1. No Poverty, 2. Zero Hunger, 5. Gender Equality, 8. Decent Work and Economic Growth and 12. Responsible Consumption and Production. In this report we focus on organizations that received and used a financing solution from Fair2C during the fiscal year 2023-2024:

- **Lima Coffee** (Peru)
- **Norandino** (Peru)
- **Juan Santos Atahualpa (JSA)** (Peru)
- **Asobagri** (Guatemala)
- **Cocafelol** (Honduras)
- **Cocafcal (Capucas)** (Honduras)

The information in this impact report comes from Fair2C's own data and third-party sources (audited financial statements of the investees, their internal documents or publicly available information).





Who We Are

The Challenge

Fairtrade certified farmer organizations usually buy the product from their members and then sell it to their international clients willing to trade at Fairtrade conditions.

However, they often face a **liquidity gap**: they do not have enough cash to pay their members directly on delivery of the product. And it can take weeks or even months before the payment from the customer is received.

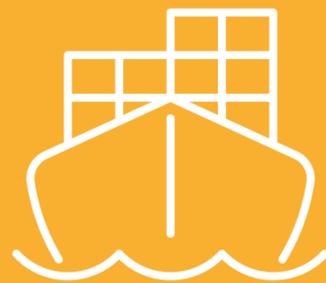
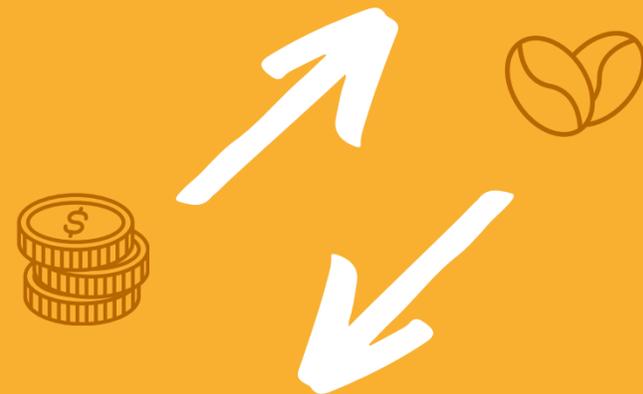
When smallholder farmers see that their organization cannot pay them when they bring the product, they often sell it to local middlemen at the local market price (or below). They are therefore vulnerable to price volatility and receive no premium.

Access to financing during the harvest season enables Fairtrade certified farmer organizations to buy more products from their members. This generates incremental and stable income to smallholder farmers and a Fairtrade Premium that they can then invest in the sustainable development of their community.

Individual farmers



Farmer organization



International clients

Our Approach

Fair2C's Mission

Fair2C supports Fairtrade certified producer organizations with financing solutions and contributes to awareness for products with the Fairtrade Max Havelaar label. We always aim to be **fair, transparent and sustainable**.

As a community of impact investors, we welcome both private and legal persons. Fair2C is organized as a cooperative where each member has a voice.

Partnership with FairCapital

The impact investment firm FairCapital SA has been appointed as Fair2C's service provider. It ensures the management of our cooperative under the control of the board.

FairCapital gives Fair2C administrative services as well as access to its portfolio of over 50 farmer organizations, the majority of which are Fairtrade certified. The portfolio of FairCapital was developed in collaboration with institutional investors like Stiftung Abendrot.





Financing Facilities

Each new Fair2C member contributes capital to the cooperative. This capital is used 100% to provide financing to farmer organizations to maximize our impact while we strive to keep our operating costs low.

Credit lines are the most common form of debt financing provided by Fair2C. These enable farmer organizations to buy more production from their members under Fairtrade conditions, and to export it.

Fair2C signs loan contracts with farmer organizations according to a **tripartite scheme**, which is described in detail on the following page.

In this context, the customers of the farmer organizations - the coffee importers - are also involved. We have regular contact with them, and they sometimes refer us to other farmer organizations in need of financing.

Financing Facilities

Here is how our tripartite figure works:

1) A farmer organization is approved to receive a credit line from Fair2C. To access the funds, it must present signed commercial contracts with coffee importers. Once the contracts are accepted, Fair2C disburses the funds.

2) The farmer organization collects the coffee and ships it to the importers.

3) After a few weeks, the importers pay Fair2C the agreed amount for the coffee.

4) Fair2C forwards the amount to the farmer organization, after deduction of the loan amount and interest.

Tripartite contracts **reduce the risk** of the financing offered by Fair2C, guaranteeing repayment and preserving its members' capital.



Achievements

Since the beginning of its operations in 2021, Fair2C has achieved the following:

Create a community of **63 cooperative members**, both private persons and legal entities

Gather **CHF 805k in capital** and ensure its rotation, making it possible to provide **USD 3M of financing**



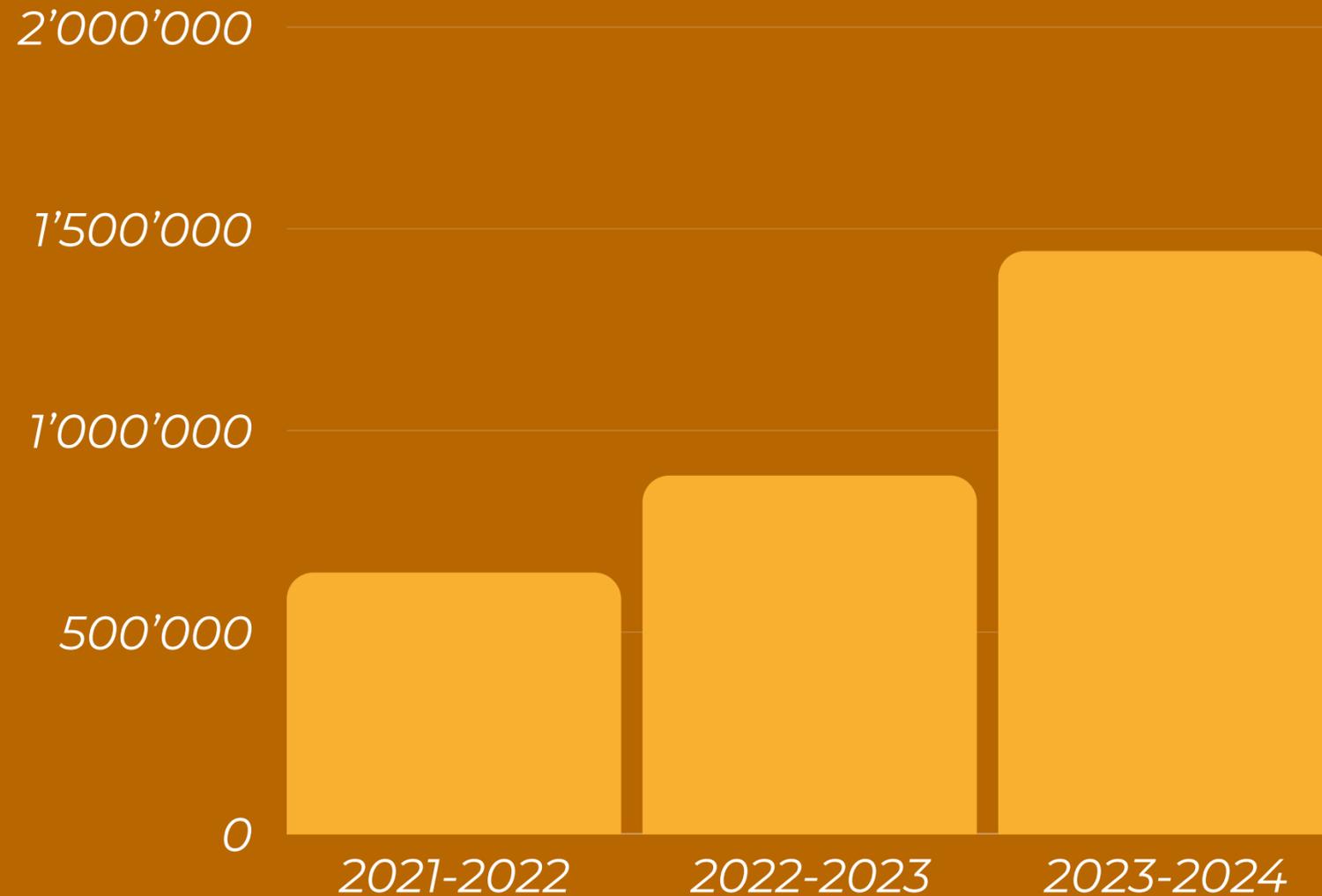
Support **11 farmer organizations** regrouping over **12'000 small producers** in Latin America

Prefinance the production and export of **51 containers of Fairtrade coffee**

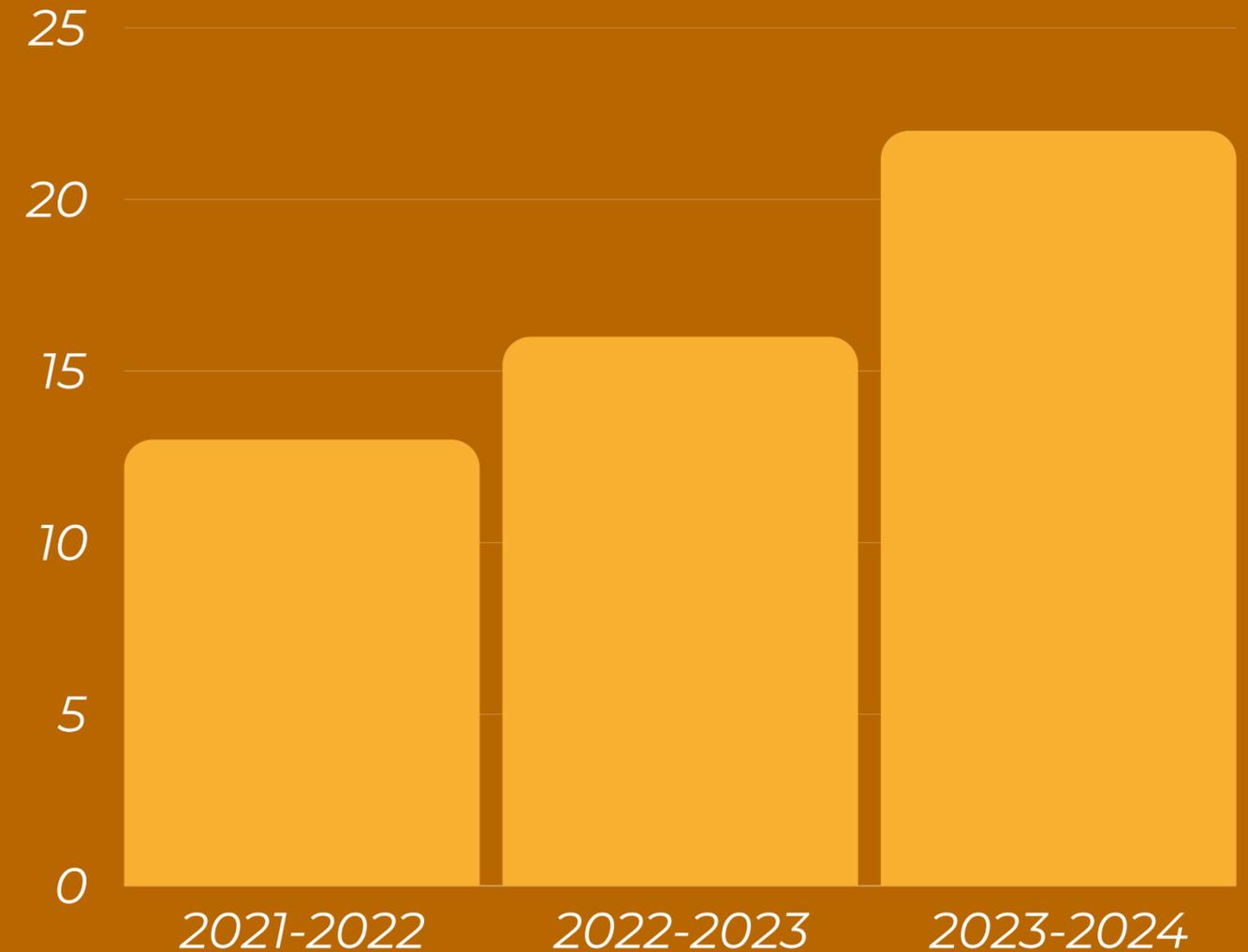
Achievements

Thanks to its growing community, Fai2C has been able to increase both the amount of financing provided and the number of containers of coffee pre-financed each year.

Fair2C's Financing Solutions (USD)



Pre-financed Coffee Containers (#)



Key Financial Information

Here are the key figures from Fair2C's financial statements for the fiscal year 2023-2024.

Balance Sheet

Total Assets
CHF 835'077 *

Subscription from New Members
CHF 445'000

Total Shareholders' Equity
CHF 371'457

*Most assets are credit lines to farmer organizations.

Profit & Loss Statement

Revenues
CHF 40'324

Operating Result
CHF 31'406

Net Profit of the Year
CHF 10'196

Contributions to SDGs



Contributions to SDGs



Target 2.3

"By 2030, double the agricultural productivity and incomes of small-scale food producers."



Target 1.2

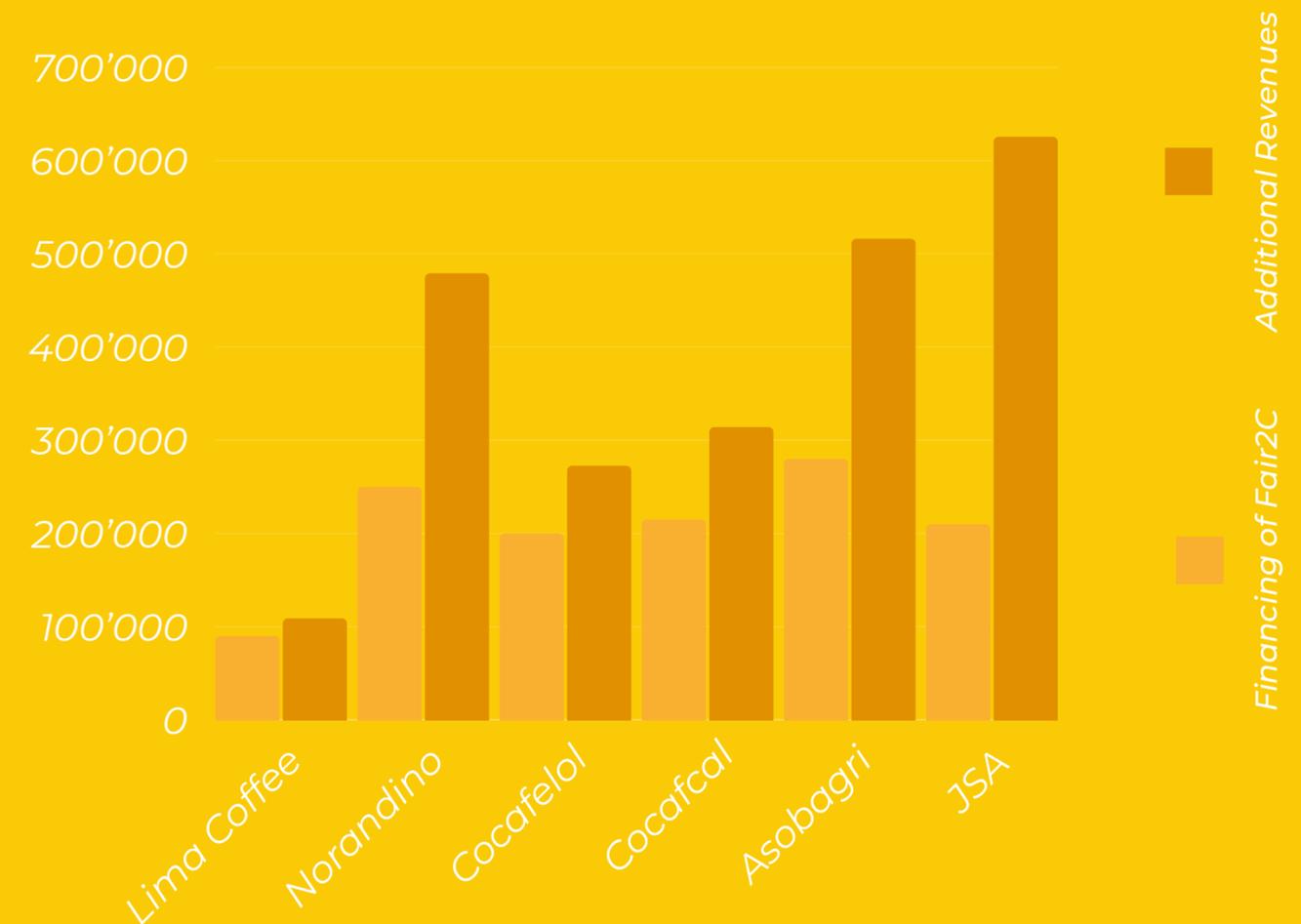
"By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty."

The pre-financing provided by Fair2C generates revenues for farmer organizations.

During the fiscal year 2023-2024, Fair2C has disbursed **credit lines** for a total of USD 1'245'000 to six farmer organizations. In addition, another credit line of USD 200'000 was offered at the end of the period to another farmer organization that has not yet used the funds.

With these credit lines, Fair2C has pre-financed the production and export of 22 containers of Fairtrade certified coffee. This enabled investees to generate **revenues** of USD 2'316'407 (including Fairtrade, organic and other premiums).

Financing vs Revenues (USD)



Contributions to SDGs

Fair2C finances commercial contracts for Fairtrade, organic coffee at above-market prices

Fair2C exclusively finances contracts for goods certified by Fairtrade International (coffee for now) and has a strong preference for organic production.

In the fiscal year 2023-2024, **19 contracts** were selected to receive financing. They included a Fairtrade Premium (USD 0.20 per pound of coffee) and an organic premium (USD 0.40 cents per pound since August 2023, previously USD 0.30 cents).

These contracts also respected the Fairtrade Minimum Price, which increased from USD 1.40 to USD 1.80 per pound of coffee in August 2023.

To sum up, FTO (Fairtrade Organic) coffee should be priced at least at **USD 2.40** per pound (minimum price + Fairtrade Premium + organic premium).

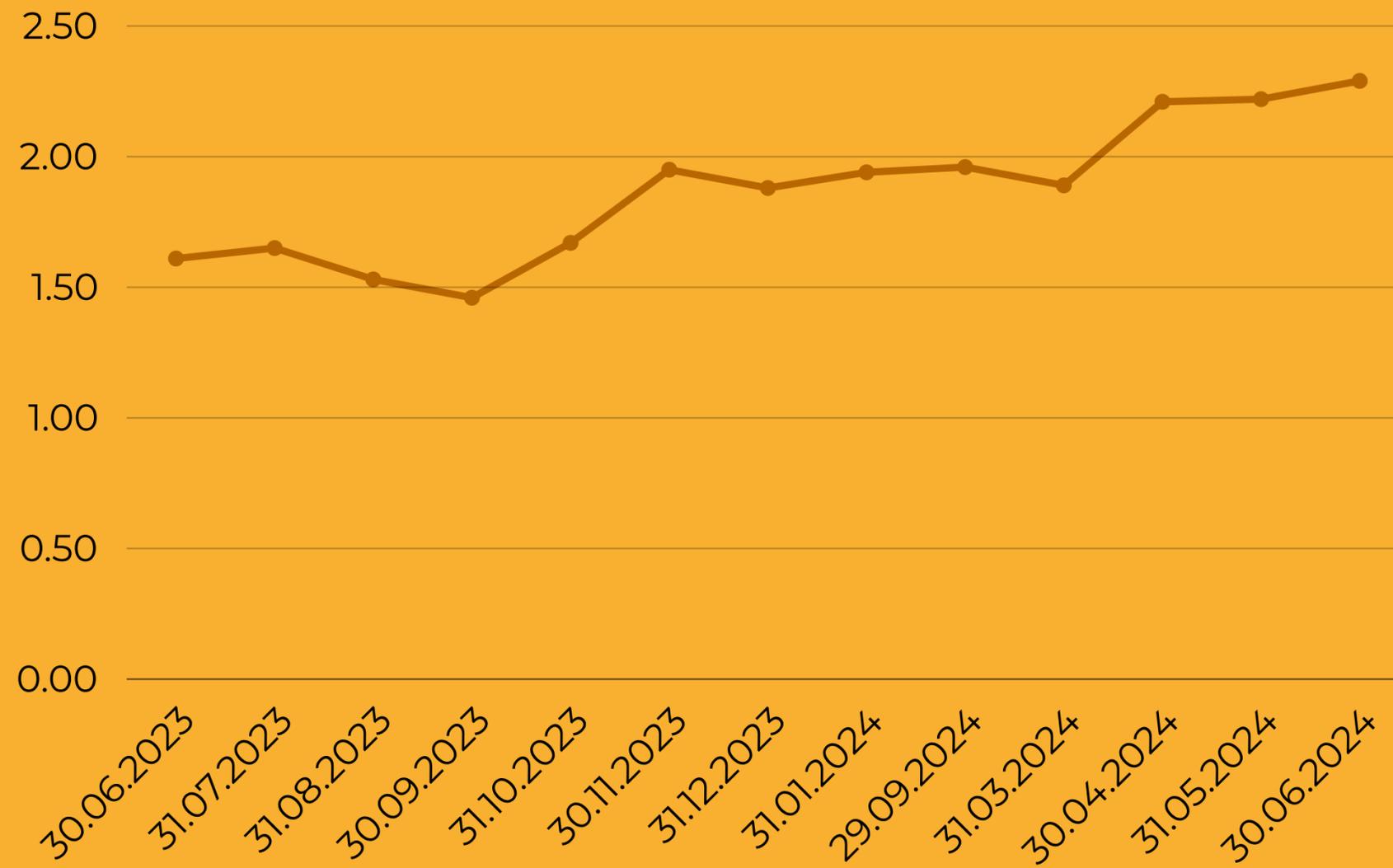


Contributions to SDGs



Fair2C finances commercial contracts for Fairtrade, organic coffee at above-market prices

Coffee Prices (Futures) (USD)



Contracts financed by Fair2C had an average price of **USD 2.44** per pound of coffee. The maximum price reached was USD 2.89 per pound of coffee, while the minimum was USD 1.96 (before August 2023).

In comparison, international coffee prices have been oscillating between USD 1.61 and USD 2.29 per pound from June 2023 to June 2024.

In early 2024, on an exceptional basis, Fair2C agreed to finance four contracts for organic coffee with the Fair Trade USA certification. The price for these contracts was USD 2.40 per pound of coffee, corresponding to the price of FTO coffee as defined by Fairtrade International.

Contributions to SDGs



The organizations supported by Fair2C regroup thousands of smallholder farmers

Thanks to the funds of Fair2C, **6/6 investees** were able to purchase more Fairtrade certified coffee from their members. These organizations represent over 10'300 smallholder farmers.

Meet some of these farmers!



MATEO, ASOBAGRI (GUATEMALA)

Mateo spent his whole life in coffee farming, like his parents before him. For the past 14 years, he has been a proud member of Asobagri.

Asobagri has helped Mateo improve his coffee production, notably by offering him technical assistance. Mateo appreciates being part of Asbagri because he is guaranteed a fair price for his coffee.



SIRO, LIMA COFFEE (PERU)

Siro grows organic coffee on his 2-hectare farm. He then delivers it to Lima Coffee, the farmer organization he is affiliated to.

Siro not only got a coffee dryer and agricultural supplies from Lima Coffee, but also credits. These micro-loans have enabled him to maintain his farm, buy fertilizers and finance school uniforms for his 3 children.

Contributions to SDGs



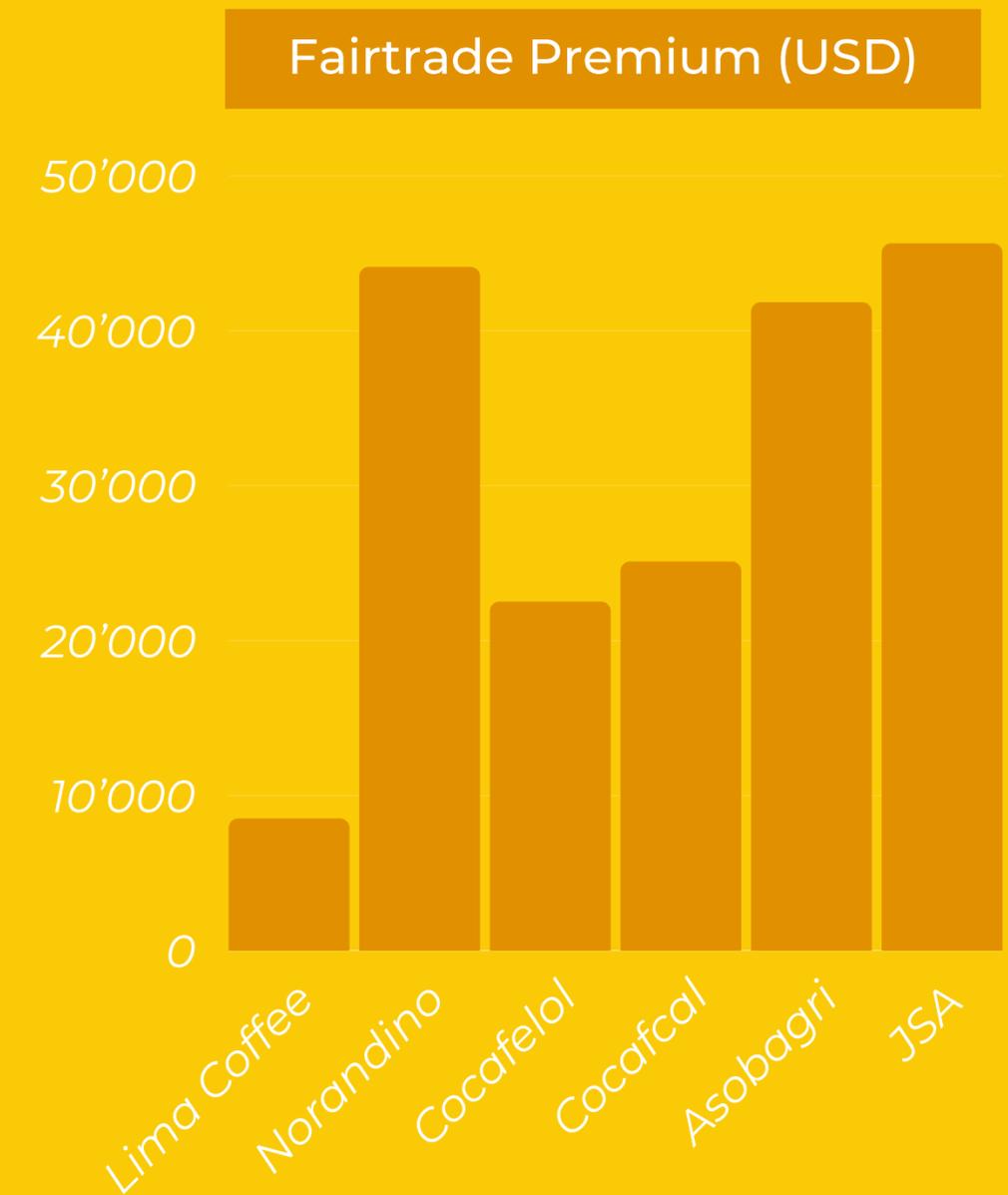
Fairtrade Certification and Premium

6/6 investees are farmer organizations who are **Fairtrade certified**. As a result, they benefit from the Fairtrade minimum price (safety net in case of price volatility). In addition, coffee importers include the Fairtrade Premium (additional funds for sustainable development) in the price paid.

Of the 22 containers of coffee pre-financed by Fair2C in the fiscal year 2023-2024, 18 contained coffee certified under the standards of Fairtrade International. The four others had the Fair Trade USA certification. The premium is the same (USD 0.20 per pound of coffee).

By exporting these 22 containers, the investees generated revenues that included **USD 187'715 of Fairtrade Premium*** (see figure). Farmer organizations spend it as they see fit for the development of their community. The Fairtrade Premium is distributed in different projects according to a plan approved by the General Assembly. Examples of Fairtrade Premium use will be provided later in the report.

* This comprises the Fairtrade International premium and the Fair Trade USA premium.



Contributions to SDGs



Target 2.4

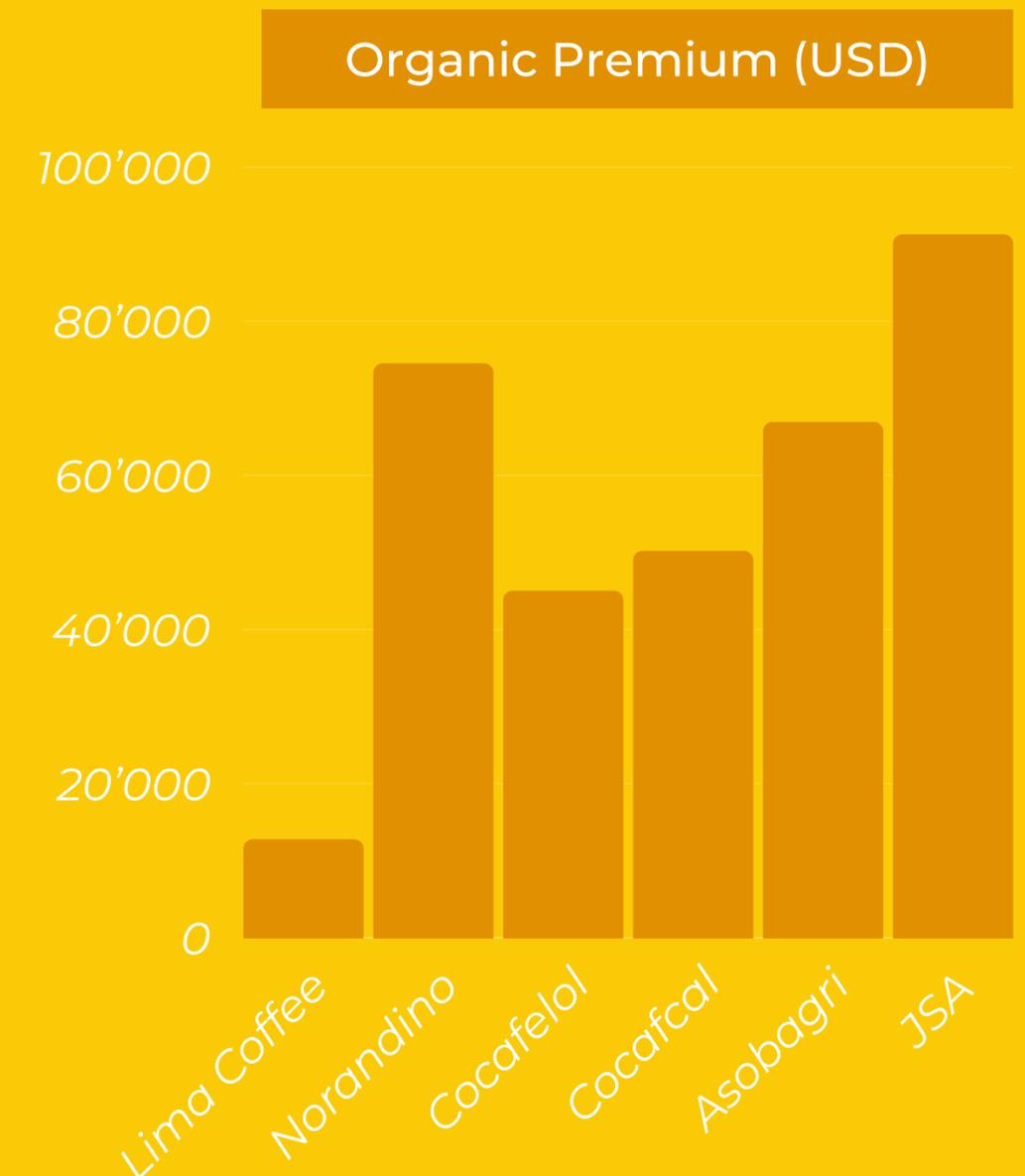
"By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality."

Organic Certification and Premium

In addition to Fairtrade, **6/6 investees** also hold an **organic certification**. By commercializing organic products, farmer organizations demonstrate their commitment to restorative, environmentally friendly production.

To incentivize producers to get organic certified, they receive a specific premium. In August 2023, Fairtrade International increased the organic premium for coffee from USD 0.30 to USD 0.40 per pound. Others like Fair Trade USA kept the organic premium at USD 0.30 per pound.

In the fiscal year 2023-2024, all 22 containers pre-financed by Fair2C carried organic certified coffee. This generated a total of **USD 340'746** in organic premium for the investees in addition to the Fairtrade Premium (see figure).



Contributions to SDGs



Technical Assistance

Farmer organizations not only buy the coffee from their members but also provide them services to support their work. For instance, specialized agronomy technicians regularly visit farms. Receiving such technical assistance enables the implementation of sustainable agricultural practices, which improves productivity and protect the environment within farming communities.

6/6 investees provide technical assistance to their farmers. They often use part of the funds of the Fairtrade Premium to hire technicians and equip them.



Contributions to SDGs

Adapting to Climate Change

Smallholder farmers are greatly affected by climate change, as plantations are extremely sensitive to rising temperatures and excessive or insufficient rainfall. This leads to a reduction in crop yields and suitable cultivation area, and ultimately affecting farmers' production and incomes.

To mitigate the effects of climate change in agriculture, **reforestation** has emerged as an essential strategy. Trees are known to absorb CO₂ from the atmosphere and store it in their biomass.

Their roots also strengthen soil structure and enhance its water retention capacity, which is crucial for preventing erosion and maintaining soil fertility. In addition, trees act as natural barriers against the spread of pests and diseases.

To sum up, by integrating trees into agricultural systems, farmers can benefit from improved soil health, enhanced water retention, and natural pest control, all of which contribute to increased resilience and productivity in the face of climate change.



Contributions to SDGs



Case Study - Reforestation Project by Norandino

Norandino has been implementing one of the most important initiatives of reforestation in the northern region of Peru. Between 2010 and 2023, the farmer organization rehabilitated **678 hectares**, which corresponds to the planting of more than 750'000 trees.

In 2014, it received the GOLD standard certification, allowing Norandino to trade the **carbon credits** from its reforestation activities on the voluntary market.

In 2017, the farmer organization also obtained the **Fairtrade certification** for its carbon credits, which guarantees access to a minimum price as well as to a premium to be invested in climate change adaptation.

Since 2018, selling carbon credits with the Fairtrade certification generated close to EUR 300'000 in **additional incomes** to Norandino (including about EUR 29'000 of Fairtrade Premium).



Contributions to SDGs

1 NO POVERTY



Target 1.5

"By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters."

To improve their resilience in the face of crises, farmer organizations need to build up **solid reserves**. One way of doing this is to generate a positive annual net profit, which they can retain in their reserves over time. The Fairtrade Premium can help cover operating expenses and improve profitability. For instance, Lima Coffee and Juan Santos Athualpa used 40% and 60% of their respective Fairtrade Premium of 2023 to pay for coffee commercialization expenses, especially the logistics.

Faced with strong competition from other local coffee buyers, farmer organizations try to pay their members a **higher price** for the coffee they deliver. The goal is to guarantee loyalty and thus the supply of coffee. In Central America, Asobagri, Cocafelol and Cocafcal used a significant portion of their Fairtrade Premium of 2023 to buy coffee at competitive prices

Farmer organizations also usually support their members in **personal crises**. For instance, Asobagri distributes part of the Fairtrade Premium directly to its members for social purposes. This helps cover funeral costs, health expenses and emergencies, school fees, help for the elderly and repair costs for damaged homes.





Contributions to SDGs

5 GENDER EQUALITY



Target 5.5

"Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life."

Women account for almost half of smallholder farmers in countries of the Global South. But, historically, their ability to work in agriculture has been less recognized than that of men. Women struggle with several challenges that limit their productivity and empowerment, including:

- Lack of land ownership
- Insufficient access to essential resources like machinery or loans
- Expectations to perform all domestic duties at home on top of their farm work
- Reduced decision-making power and political participation within their communities

By supporting Fairtrade certified farmer organizations, Fair2C stands for the **inclusion and empowerment** of women in agriculture. The Fairtrade standards are designed to foster gender equality by prohibiting discrimination and encouraging women's participation in decision-making.

Contributions to SDGs

Women at Fair2C

Women represent 25% of all farmers and workers in Fairtrade certified organizations worldwide, not counting all those who work on their husband's or family's land. This average reflects the reality among the Fair2C's investees.

Women fill key leadership positions on the boards of directors of **5/6 investees**. Half of Coca-fcal's six board positions is filled by women. At Juan Santos Atahualpa, women hold four of the seven positions, including the president. Asobagri and Coca-fcal both have a woman as vice-president.

At Fair2C, 31% of the cooperative members are women, as are two board members and one ambassador. They play an active role in the Fair2C community! Meet our President Christine Hofstetter and our Ambassador Annemarie Rüegger-Vonrüti below, on the Fair2C stand at Dorfmarkt Zumikon.



Fair2C stand in Zumikon

Contributions to SDGs



Case Study - Café Feminino by Asobagri

In the fiscal year 2023-2024, Fair2C financed for the first time three commercial contracts for organic coffee grown exclusively by women farmers, members of the Guatemalan organization Asobagri.

The coffee was produced under the **Café Feminino** program of the Café Feminino Foundation. In this context, a premium of USD 0.02 per pound of coffee had to be paid by the trader to Asobagri. This represented USD 2'510 in additional revenues for the three contracts mentioned.

Established in 2003 by women farmers in Peru, Café Feminino promotes social justice and supports women coffee producers worldwide, guaranteeing them control over revenues, land ownership and recognition for their exceptional coffee. Asobagri is part of the Café Feminino Guatemala Program, which started in 2005 to offer a fair compensation to women farmers. Through Café Feminino, Asobagri supports the empowerment and recognition of women in coffee production.



Contributions to SDGs

8 DECENT WORK AND ECONOMIC GROWTH



Target 8.2

"Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation."

Upgrading their **collective infrastructure** is key to farmer organizations, as it enables them to provide good working conditions and the possibility of economic growth.

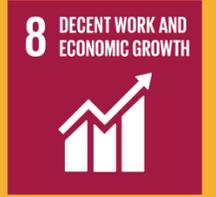
Using part of the Fairtrade Premium is a common way of financing such projects. Here are a few examples:

- Lima Coffee purchased new materials and organized trainings to improve its production chain and quality control. It has also equipped its technicians and maintained the vehicles they use to visit to members.
- Norandino maintained its existing processing plants for coffee and brown sugar, upgrading certain parts. This allows Norandino to further improve the quality of its products.





Contributions to SDGs



On Members' Farms

Farmer organizations are also aware of the importance of upgrading the **individual infrastructure** of their members.

In 2023, Juan Santos Atahualpa purchased coffee pulper machines (to separate the coffee beans from the pulp of their cherries) for 45 of its members who did not have any on their farm. Cocafelol and Cocafcal both give loans to their respective members for farm maintenance and renovations.



Contributions to SDGs



Case Study - Honey Production by Cocafcal

Diversification is essential to ensure that coffee growers have a regular income and are not dependent on a single crop for their livelihood.

Cocafcal initiated a **diversification** project centered on honey production. Due to its success, it has now turned into a separate business named “Miel Capucas”, of which Cocafcal is the majority partner.

The cooperative takes care of commercializing the honey produced by its members. It notably built a processing plant meeting international quality standards to be able to export it.

Cocafcal also gives technical assistance and financing to its members who manage bee hives. In addition, it brought international experts to help improve the quality of the honey and by-products of the hive.



Contributions to SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Target 12.3

"By 2030, halve per capita global food waste at the retail and consumer level and reduce food losses along production and supply chains, including post-harvest losses."

Food losses in agriculture happen frequently in countries of the Global South. With low and unstable market prices, harvesting can sometimes seem like a waste of money and time for farmers. Lack of access to technology, training and adequate infrastructure for storage, processing or transport can also lead to a decline in product quality, reducing sales and income.

Thanks to the Fairtrade minimum price, producers' vulnerability to volatile prices is reduced. A fixed Fairtrade Premium must also be included in the purchase price by the client, which can be invested in infrastructure improvements.

6/6 investees offer technical assistance to their members and upgrade individual and collective infrastructures. They finance these activities using their Fairtrade Premium, external loans, and their own funds.





Contributions to SDGs



Target 12.4

"By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle and reduce their release to air, water and soil."

By holding organic certifications, farmer organizations demonstrate their commitment to sustainable production, notably by reducing the chemicals used on their plantations.

Organic fertilizers are alternative products that can be financed by the Fairtrade Premium. For instance, Lima Coffee and Juan Santos Atahualpa used part of the Fairtrade Premium received in 2023 to buy and distribute organic fertilizers to its members.

On a larger scale, the production of organic fertilizers can represent an additional source of income for a farmer organization. In Honduras, Cocafelol and Cocafcal have already recognized this opportunity. Each has its own factory for organic fertilizers. Cocafelol, for example, uses waste from coffee processing as a base.



*Fair2C's
Investees*

Fair2C's Investees

In that last part, you can find the description of the six farmer organizations that were supported by Fair2C in the fiscal year 2023-2024.

- **Lima Coffee** (Peru)
- **Norandino** (Peru)
- **Juan Santos Atahualpa (JSA)** (Peru)
- **Asobagri** (Guatemala)
- **Cocafelol** (Honduras)
- **Cocafcal (Capucas)** (Honduras)

In addition, another line of credit was offered at the end of Fair2C's fiscal year to Amoju (Peru). However, the funds were not used at that time.

Amoju has not yet been included in the impact analysis, but a brief description of this farmer organization is available before the conclusion of the report.



Lima Coffee

Lima Coffee (FLO ID 34573) is a coffee cooperative based in Peru that was founded in 2015. At the beginning of 2024, it had 777 active members. Lima Coffee produces and sells conventional, organic and Fairtrade coffee. In 2023, more than half of its sales were certified both Fairtrade and organic (FTO).

A first loan from **FairCapital** was disbursed to Lima Coffee in 2020, followed by a credit line in 2021 that was renewed in the next three years.

In July 2021, Lima Coffee received an additional credit line from **Fair2C** for USD 143'753 to cover its additional working capital needs. This allowed the cooperative to export one container of FTO coffee and half a container of organic coffee.

In June 2023, Fair2C provided working capital of USD 90'000 to finance one container of FTO coffee worth USD 108'783. A Fairtrade Premium of about USD 8'500 was included.



Norandino

Founded 19 years ago, **Norandino** (FLO ID 18075) is a Peruvian organization that regroups 10 associations and cooperatives. It counts a total of 6'086 members, all smallholder farmers.

Due to its size, Norandino has its own transformation facilities, also offering processing services to neighboring cooperatives.

Norandino commercializes coffee, granulated brown sugar, cocoa beans and its derivatives, most of them with certifications like Fairtrade or organic.

In 2023, international sales of coffee accounted for 66% of operating income. The majority (80%) was certified both Fairtrade and organic (FTO).



FairCapital offered the organization a credit line in September 2022 and another one in July 2023 to facilitate its coffee exports. Nevertheless, due to the scale of Norandino's operations, additional working capital was required.

In October 2022, **Fair2C** was able to cover part of these needs with a USD 150'000 credit line. In July 2023, Fair2C renewed its support with a USD 250'000 credit line to export five containers of FTO coffee valued at USD 479'106. This amount included a Fairtrade Premium of about USD 44'000.



Juan Santos Atahualpa

Operating since 2011, **Juan Santos Atahualpa** (FLO ID 29078) currently counts with 668 members. This Peruvian cooperative produces and sells certified coffee. In 2023, 58% of its sales were certified both Fairtrade and organic (FTO) and 38% organic.

Exports to international clients represent a majority of the organization's sales (92% in 2023). In 2021, **FairCapital** provided Juan Santos Atahualpa with a first credit line to finance its harvest campaign. This financing was then renewed in 2022 and 2023.

Fair2C provided the cooperative with an additional USD 150'000 credit line in August 2022. This credit line was renewed in May 2023 for the same amount. Fair2C's continued support during the fiscal year 2022-2023 enabled Juan Santos Atahualpa to export nine and a half containers of FT and FTO coffee.

In April 2024, Fair2C again granted Juan Santos Atahualpa a credit line, this time for USD 210'000. Thanks for these funds, the farmer organization exported five and a half containers of FTO coffee with contracts worth USD 625'619 (including a Fairtrade Premium of about USD 45'600).

Asobagri

The Guatemalan organization **Asobagri** (FLO ID 877) was established in 1986 and formally legalized in 1989. Starting off with 20 producers, it currently counts 1'248 members. The cooperative focuses on the production and commercialization of Fairtrade and organic coffee. During the 2022-2023 campaign, 90% of its sales were certified both Fairtrade and organic (FTO).

In late 2020, **FairCapital** successfully arranged a loan of USD 450'000 with other investors. This financing facility enabled Asobagri to build a new warehouse, providing more space for storage and export of additional coffee.

In January 2022, together with three of its members, **Fair2C** provided a working capital facility of USD 200'000 to export two containers of FTO coffee. In March 2024, Fair2C again provided Asobagri with a credit line worth USD 280'000 to finance the export of five containers of FTO coffee, with a commercial value of USD 516'215. This included a Fairtrade Premium of about USD 41'800.



Cocafelol

Operating since 1999, **Cocafelol** (FLO ID 27211) is a farmer cooperative in western Honduras. It represents 607 smallholder farmers in this region. Half of its coffee is sold as conventional, while the other half carries Fairtrade, organic and other sustainability certifications.

Cocafelol already started to export high-quality coffee in 2011. As it is the case of many producer organizations in Honduras, it firstly had to let other companies export its coffee. Over the years, Cocafelol managed to increase its share of direct exports, which reached half of the total volume of coffee exported in the last campaigns.

To support Cocafelol in increasing its direct exports even more, the organization received a credit line from **FairCapital** in 2024. Additional financing of USD 200'000 was also offered by **Fair2C**. This enabled Cocafelol to export close to 3 containers of FTO coffee, with contracts worth USD 272'583 to the cooperative. It included a Fairtrade Premium of about USD 22'500.





Cocafcal

Founded in 1993, the farmer cooperative **Cocafcal (Capucas)** (FLO ID 19080) gathers 946 smallholder farmers in western Honduras. In addition to its commitment to Fairtrade, it sold over half of its coffee with an organic certification in the 2022-2023 campaign.

Cocafcal acquired its own coffee processing plant in 2022. This has enabled the cooperative to increase its direct exports. In order to prefinance coffee sales to international customers, a first credit line from **FairCapital** was disbursed to Cocafcal at the beginning of 2023 and then renewed for the next harvest season.

In February 2024, **Fair2C** also supported the organization with a USD 215'000 credit line to export three containers of FTO coffee during its 2023-2024 campaign. These contracts were worth USD 314'101 to Cocafcal, including a Fairtrade Premium of about USD 25'000.



Amoju

Amoju (FLO ID 36507) is Peruvian coffee cooperative founded in 2016. It counts with 722 smallholder farmers dedicated to the production of high-quality coffee. During 2023, Amoju had over half of total sales under the Fairtrade and organic certification.

Amoju provides technical assistance to its members to achieve excellent coffee quality. Thanks to this support, the sales of the farmer organization doubled between 2021 and 2023. This assistance is primarily funded by the Fairtrade Premium.

FairCapital provided its first credit line to Amoju in 2022, which was then renewed in 2023 and 2024 with a higher amount.

At the end of June 2024, **Fair2C** disbursed an additional credit line of USD 200'000 to support Amoju in exporting more FTO coffee. The funds will be used by the farmer organization in Fair2C's fiscal year 2024-2025.

Conclusion

The objective of this report was to show how Fair2C's cooperative capital was used in the last fiscal year 2023-2024. The focus was set on the contribution of Fair2C and its investees to the SDGs.

We aim to give full **transparency** about our activities and the impact they generate. With this report, we also try to bring our readers closer to the realities of producers in the Global South.

Fair2C prefinances the production and export of Fairtrade certified products. Access to additional financial resources strengthen the organizations we work with. Indeed, they can develop their commercialization activities and become the solid partner that smallholder farmers need to export their products.

We also want to raise consumers' awareness for products with the Fairtrade Max Havelaar label. Through our communication activities and events, we strive to encourage more consumers to purchase Fairtrade products, which in turn will further increase production at Fairtrade conditions.

Thank you, **Fair2C community!** You enable more smallholder farmers to thrive as coffee producers and exporters take full advantage of the Fairtrade system.



For more information,
write us at info@fair2c.ch.

More about Fairtrade and
the SDGs under this [link](#).

