FAIRTRADE FINLAND



Achinesh Mengistu, a focal person in Sidama Coffee operative and Akilu Gobile. @Fairtrade Africa

Development Cooperation Programme

# Dignified Opportunities Nurtured through Trade & Sustainability

## DONUTS, PHASE 1

Programme Results Report 2022-2025

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# Acronyms and abbreviations

| | |
|---|---|
| **ABU** | Agripreneur Business Unit |
| **CBA** | Collective bargaining agreement |
| **CIRCLE** | Children In Rural Cocoa communities are Learning and Empowered |
| **CLAC** | Coordinadora Latinoamericana y del Caribe de Pequeños Productores y Trabajadores de Comercio Justo |
| **CLMRS** | Child labour monitoring and remediation system |
| **COCOBOO** | Ghana Cocoa Board |
| **CSDDD** | Corporate Sustainability Due Diligence Directive |
| **CSO** | Civil Society Organization |
| **CSSV** | Cacao Swollen Shoot Virus |
| **DAF** | Dynamic agroforestry |
| **DONUTS** | Dignified Opportunities NUrtured through Trade and Sustainability |
| **DRR** | Disaster risk reduction |
| **EU** | European Union |
| **FIBS** | Finnish Business & Society |
| **FI** | Fairtrade International |
| **FTA** | Fairtrade Africa |
| **GAP** | Good Agricultural Practice |
| **GBV** | Gender-based violence |
| **GHG** | Greenhouse gas |
| **HLO** | Hired labour organisation |
| **HREDD** | Human rights and Environmental Due Diligence |
| **ICI** | International Cocoa Initiative |
| **ILO** | International Labour Organization |
| **KKCLMRS** | Kuapa Kokoo child labour monitoring and remediation system |
| **KKFU** | Kuapa Kokoo Farmers Union |
| **LEAP** | Livelihood and ecosystem advancement project |
| **LIA** | Livelihood Accelerator |
| **LWB** | Living Wage Benchmark |
| **MEL** | Monitoring, evaluation and learning |
| **MFA** | Ministry for Foreign Affairs of Finland |
| **NFO** | National Fairtrade organization |
| **PMEL** | Planning, Monitoring, Evaluation and Learning |
| **PO** | Producer organization |
| **PWD** | Person with disability |
| **RBM** | Results-based management |
| **SDG** | Sustainable Development Goal |
| **SME** | Small and Medium-sized entreprise |
| **SOK** | Suomen Osuuskauppojen Keskuskunta ( The Central Finnish Cooperative Society) |
| **SPO** | Small producer organization |
| **TEM** | Ministry of Economic Affairs and Employment |
| **ToC** | Theory of Change |
| **UN** | The United Nations |
| **VSLA** | Village savings and loans associations |

# Summary

This report presents the final results of the first phase (2022–2025) of Fairtrade Finland's development cooperation programme, **Dignified Opportunities NUrtured through Trade and Sustainability (DONUTS).** As a global movement supporting agricultural producers through equitable trade, Fairtrade structured the DONUTS programme across two strategic cycles (2022–2025 and 2026–2029) to complement its core certification system. The programme explicitly addresses persistent structural challenges—such as inequality, systemic discrimination, and restricted market opportunities—for smallholder farmers and agricultural workers across Africa and Latin America. Inspired by Dr. Kate Raworth's Doughnut Economics model and anchored in a human rights-based approach (HRBA), the programme drives systemic change to realize the overarching goal: **the realization of rightsholders' right to sustainable livelihoods.**

The programme operated throughout its initial phase against a highly volatile external environment characterized by severe inflation, commodity price fluctuations, accelerating climate change impacts, and a narrowing of civic space in several partner countries. Despite these compounding headwinds, the programme delivered substantial, measurable progress across all three sustainability dimensions:

- **Social Sustainability**: Produced some of the programme's most profound qualitative impacts, specifically in West African child labour prevention and disability inclusion in Ethiopia, demonstrably reaching marginalized groups that standard Fairtrade certification alone cannot access
- **Economic Sustainability**: Delivered encouraging progress regarding income diversification and decent work. Crucially, while advancements in absolute living incomes and wages remained gradual—as anticipated given the systemic, sector-wide market transformations required—the programme's final evaluation confirmed early trajectory shifts toward sustainable livelihoods.
- **Ecological Sustainability**: Generated the most dramatic quantitative shifts, with the share of farmers applying good agricultural practices surging from 21% to 91%, while targeted agroforestry systems yielded verifiable advancements in biodiversity, soil health, and household incomes.

While the full impact goal of sustainable livelihoods for all rightsholders extends to 2029, there are **encouraging early signs** of movement in this direction. Farmers' and workers' incomes have increased in many contexts, their participation in and influence over the organizations representing them has grown, and community resilience to climate change has strengthened. The programme's final evaluation confirms that these changes are largely attributable to programme activities, while acknowledging the role of external factors.

The programme contributed to a broad range of **Sustainable Development Goals**, most directly SDG 8, 10, and 13, while consistently aligning with national development priorities across programme countries to strengthen institutional sustainability. The principle of **Leave No One Behind** was actively implemented through the cross-cutting objectives of gender equality, youth and vulnerable groups — including persons with disabilities, migrants and tenant farmers — reflecting the programme's commitment to ensuring that the most marginalised rightsholders are not overlooked.

A distinguishing, highly efficient feature of the DONUTS model is its **commercial partner co-investment** framework. Global enterprises—including HALBA, Tony's Chocolonely, Alko, Systembolaget, Vinmonopolet, Mars, Aldi and Ben & Jerry's—contributed both financial and operational capital across the project portfolio, cementing long-term commercial relevance and exit-strategy sustainability in ways purely public funding cannot replicate.

This corporate leverage was amplified by robust advocacy and development communications. A major political milestone was realized with the adoption of the EU Corporate Sustainability Due Diligence Directive (CSDDD) in July 2024, securing Fairtrade's core objectives of mandatory requirements on living incomes, responsible purchasing, and structural producer support. Despite the EU's omnibus process in 2025, these core elements of due diligence measures were preserved. This expertise was validated nationally by Finnish authorities, who appointed Fairtrade Finland to the national legislative transposition working group to finalize the domestic law in spring 2026.

Total expenditure for the four-year programme amounted to **11.8 million euros**, financed through a public-private partnership between the Ministry for Foreign Affairs of Finland (MFA), national Fairtrade organizations (NFOs), and corporate partners. The financing model successfully leveraged this public funding with private sector co-financing, which accounted for approximately **40%** of total expenditure. Operational efficiency remained a core priority throughout the programme cycle, with administrative overhead strictly capped at a low **6.0%.**

The partnership between Fairtrade Finland and the primary implementing partner, Fairtrade Africa (FTA), strengthened considerably over the programme period, becoming more open, solution-oriented and mutually accountable. Key lessons — including the importance of clear expectation management with partners, simplified results frameworks and stronger cross-project learning — will be carried forward into the second programme phase (2026–2029), which builds on the strong foundations laid during this first phase.



Ethiopian flower farm Sher's packhouse worker Tewabech Tariku @Fairtrade Africa

# 1 Introduction

## 1.1. The Fairtrade System

The Fairtrade system is a multi-stakeholder, non-profit movement focusing on the empowerment of small-scale farmers and agricultural workers through more fair and sustainable trade. Fairtrade Finland works to connect producers and consumers to promote fairer trading conditions and sustainable development while following **Fairtrade's vision:** *a world in which small farmers and workers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future.*

**Fairtrade Standards** form the cornerstone of Fairtrade's approach. They support the sustainable development of small-scale producer organizations (SPOs) and hired labour organizations (HLOs) in countries affected by unjust global trade structures. The standards consist of social, economic, and environmental requirements. Standards and certifications are vital tools to enable empowerment, but alone they are not sufficient to tackle persistent development challenges. Sustained, targeted and supplementary initiatives are needed to support farmers and workers to tackle deeply embedded and complex issues like climate change, displacement of people, exploitative work, child and forced labour, human trafficking, exclusion of immigrants or persons with disabilities (PWDs), and gender equality related issues. Fairtrade Finland's **development cooperation programme the Dignified Opportunities NUrtured through Trade and Sustainability (DONUTS)** comes in to support that farmers' and agricultural workers' right to sustainable livelihoods is realized.

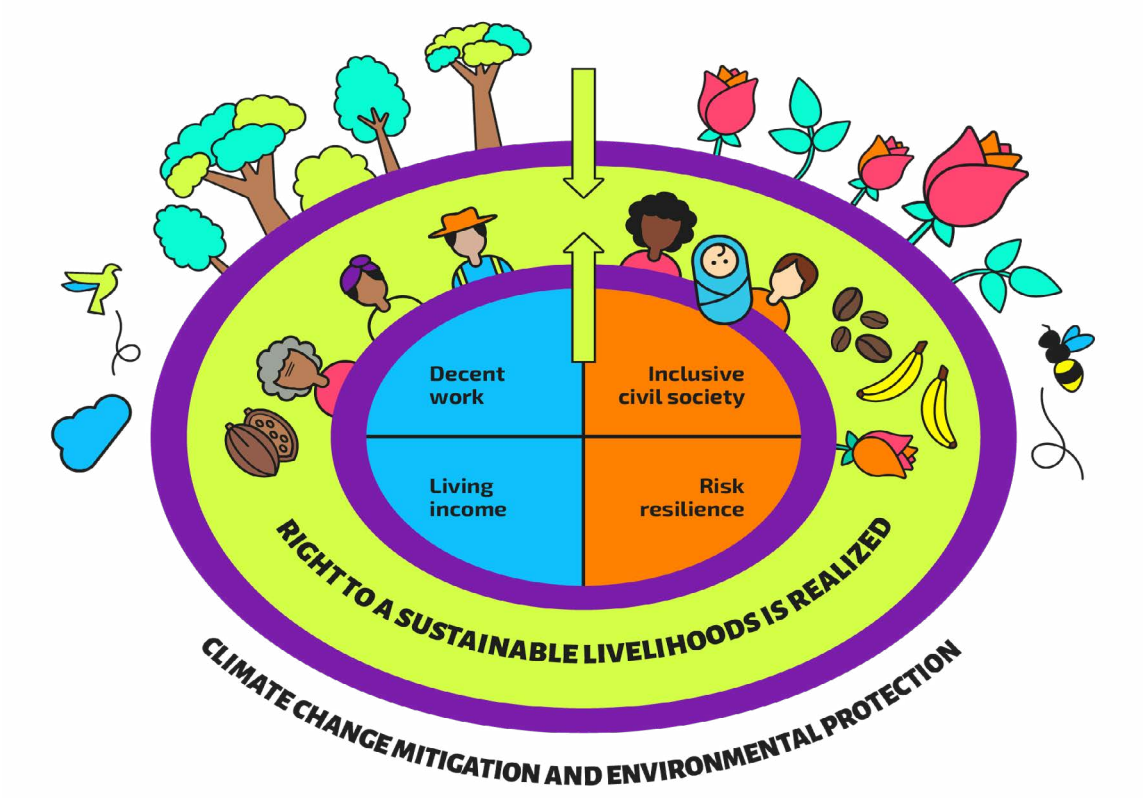
## 1.2. The DONUTS programme's Theory of Change and objectives

The DONUTS programme aims for holistic change in its rightsholders' lives by working with various value chain actors, such as producers, companies, civil society organizations (CSOs), consumers as well as duty-bearers while acknowledging the interconnectedness of both human rights and environmental aspects. Therefore, the overarching development goal of the programme for 2022–2029 is to ensure that the farmers' and agricultural workers' right to sustainable livelihoods is realized. Fairtrade Finland pursues this through three inter-linked priority areas:

1. **Social sustainability:** inclusive and strengthened civil society.
2. **Economic sustainability:** farmers' and workers' economic rights are realized.
3. **Ecological sustainability**: farmers and workers live in harmony with the environment and climate.

The priority areas have interdependent **Theories of Change** (ToCs) as the basis of the programme and its goals. We have chosen Dr Kate Raworth's **Doughnut Economics Model** as a theoretical inspiration for the programme's problem analysis and ToC. The doughnut presents the boundaries for sustainable life on earth based on the social and economic foundation and the ecological ceiling. Hence, the programme's goal is to reach the area between the ceiling and the foundation where sustainable life can thrive.

Figure 1. The Doughnut Economy is a model that seeks an environmentally safe and socially just space where humanity can thrive between social and planetary boundaries.



The programme promotes three **cross-cutting focus areas** based on the values of the Fairtrade movement: **gender equality, vulnerable persons and youth**. At the same time, environmental aspects are integral to the programme as a whole priority area of its own.

Overall, we seek **transformative societal change** supporting a diverse group of farmers and agricultural workers in gaining a greater say in civil society and in supply chains. We engage with policymakers and businesses to encourage a change in power dynamics to become more favourable for disadvantaged people and persons in vulnerable positions. While our communications work focuses on the Finnish consumers, our **advocacy** component works directly with companies and policymakers to influence wider change.

## 1.3. Rightsholders

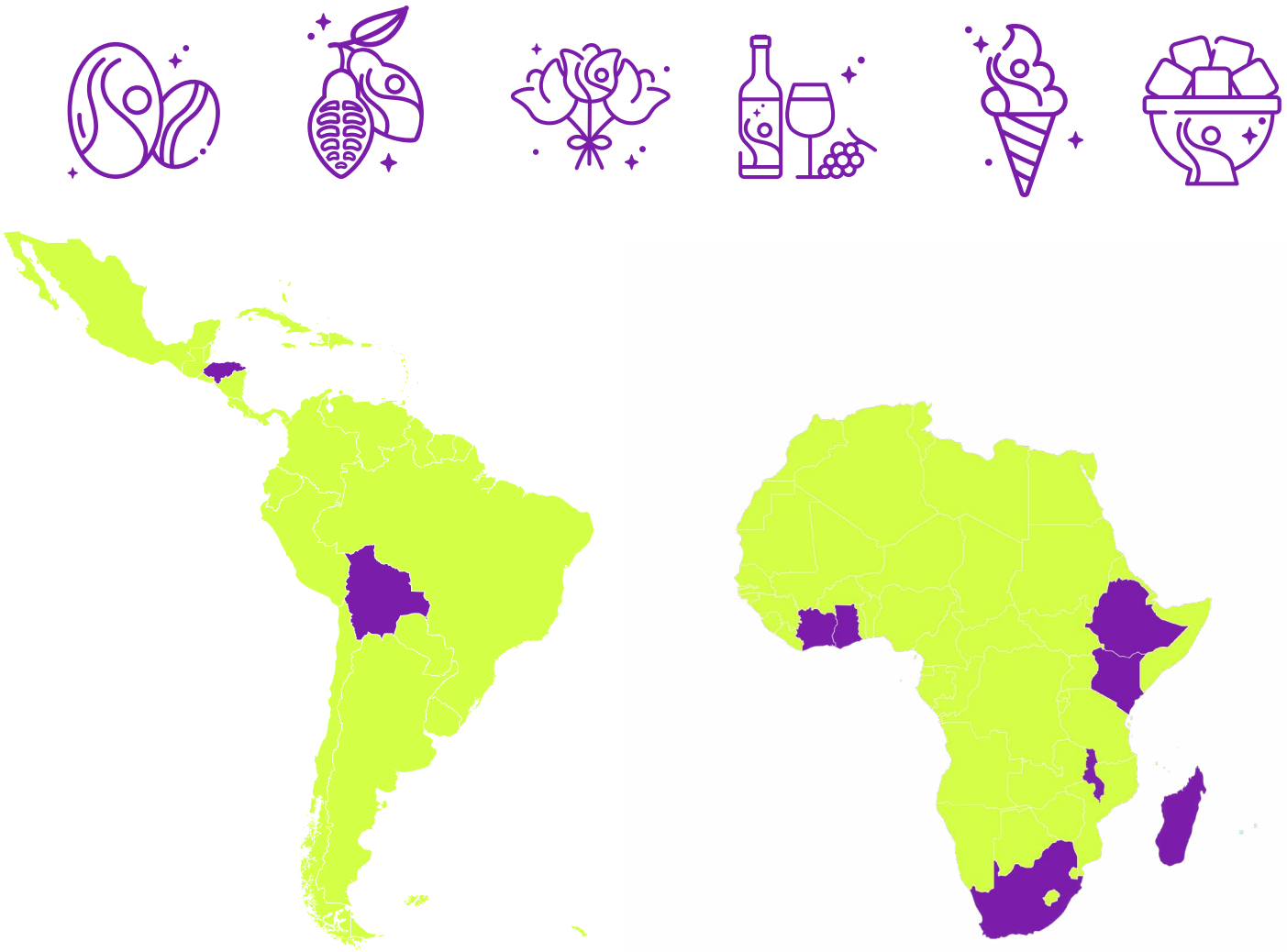
The programme's direct rightsholders are Fairtrade small-scale farmers and agricultural workers whereas their families impacted by the programme are indirect beneficiaries. The table below shows all projects' direct and indirect rightsholders, and (POs), meaning the SPOs and HLOs that were reached in 2022-2025. On average across all projects, almost 50 % of the direct rightsholders are women. Similarly, out of all direct rightsholders, around 12 % are young people, which is encouraging. We generally use the United Nation definition of youth, meaning persons between 15–24 years of age. However, some programme regions consider youth up to 35 years old.

**Leave no one behind: 1400 PWDs (target 580)**

Table 1. List of all projects and rightsholders.

| Project | Direct rightsholders | | | *of which* | | | Indirect | Total | POs | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Youth | PWDs | Children | | | SPOs | HLOs |
| Ethiopia: coffee, climate academy | 4 857 | 6 889 | 11 746 | 816 | 213 | | 43 460 | 55 206 | 3 | |
| Ethiopia: flowers, decent work | 3 599 | 6 272 | 9 871 | 2 118 | 904 | | 36 500 | 46 371 | | 7 |
| Kenya: roses, green energy | 3 048 | 3 283 | 6 331 | 1 702 | 101 | 167 | 18 360 | 24 691 | | 6 |
| Kenya: coffee, climate academy | 2 355 | 2 111 | 4 472 | 570 | 61 | | 13 000 | 17 472 | 5 | |
| Ghana: cocoa, CIRCLE | 5 097 | 3 715 | 8 812 | 272 | 27 | 2 977 | 22 900 | 31 712 | 2 | |
| Ghana: cocoa, SANKOFA 2.0 | 2 832 | 1 810 | 4 643 | 326 | 15 | | 12 000 | 16 643 | 1 | |
| Ghana: cocoa, CLMRS | 6 070 | 3 931 | 10 001 | 70 | 17 | 5 801 | 26 000 | 36 001 | 1 | |
| Côte d'Ivoire: cocoa, LIA/IDW | 7 | 139 | 146 | 28 | 1 | | 540 | 686 | 4 | |
| Côte d'Ivoire: cocoa, LEAP | 2 221 | 153 | 2 374 | 306 | | | 8 800 | 11 174 | 4 | |
| South Africa: wine, decent work | 2 566 | 2 671 | 5 237 | 1 419 | 24 | | 12 000 | 17 237 | | 18 |
| Madagascar: vanilla, LIA | 892 | 685 | 1 577 | 17 | 7 | | 5 000 | 6 577 | 5 | |
| Malawi: sugar, energy | 1 545 | 1 760 | 3 305 | 252 | 12 | | 11 250 | 14 555 | 2 | |
| HREDD dialogue (cocoa & flowers) | 690 | 479 | 1 169 | 303 | 14 | | 3 200 | 4 369 | 2 | 1 |
| Bolivia: coffee | 220 | 114 | 334 | 30 | - | - | 11 250 | 11 584 | 6 | |
| Honduras: coffee | 1 806 | 562 | 2 368 | 549 | - | - | 3 200 | 5 568 | 16 | |
| **Total** | **37 805** | **34 574** | **72 386** | **8 778** | **1 396** | **8 945** | **227 460** | **299 846** | **51** | **32** |

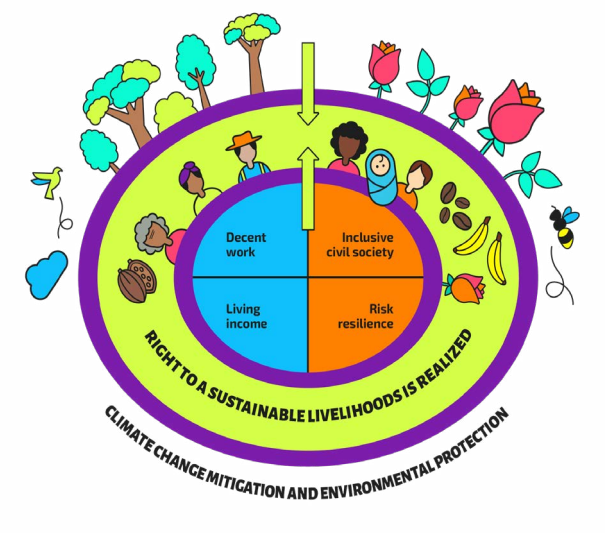
*The rightsholder figures are estimates. KKCLMRS and Sankofa 2.0 projects in Ghana may have some overlapping rightsholders, so the total number of rightsholders in West Africa may be lower than this.





Pricilla Amoah's son in Kasapin cocoa growing community has gained a bicycle through KKCLMRS project. @Fairtrade Africa

# 2 Results and effectiveness




The first phase (2022–2025) of the DONUTS programme delivered systemic progress across its social, economic, and ecological sustainability areas. Operating within a volatile external landscape marked by commodity price fluctuations, severe inflation, narrowing civic space, and accelerating climate change impacts, the programme successfully established the strategic foundations required to achieve its 2029 long-term impact goal: **the realization of rightsholders' right to a sustainable livelihood.** Each of the three priority areas contributed to this overall goal through its own impact level objective.

While the ultimate impact horizon extends into the second cycle, the final evaluation confirms that early structural shifts are directly attributable to programme interventions. Rightsholders' incomes have increased across multiple target contexts, their democratic participation within producer organizations has expanded, and community-level climate resilience has been systematically reinforced. At the priority area level, the cycle's most notable breakthroughs occurred in child labour prevention, disability inclusion, and clean energy access (Social); income diversification and decent work frameworks (Economic); and the widespread adoption of agroforestry and good agricultural practices (Ecological). Conversely, advancement toward absolute living incomes and wages remained gradual, underscoring the deeply entrenched, structural nature of global market pricing and the ongoing need for multi-stakeholder intervention.

This resilience was tested toward the end of the programme period as shifting political dynamics within the European Union created substantial headwinds for our primary advocacy focus, the EU Corporate Sustainability Due Diligence Directive (CSDDD). Rather than transitioning directly into providing implementation guidance for companies as originally planned, the programme rapidly redirected resources back toward defensive political advocacy alongside allied civil society actors and progressive brands. Although these external shifts ultimately narrowed the directive's final scope, Fairtrade successfully secured its core objective: the retention of robust, mandatory due diligence requirements governing living incomes, living wages, responsible purchasing practices, and meaningful stakeholder engagement.

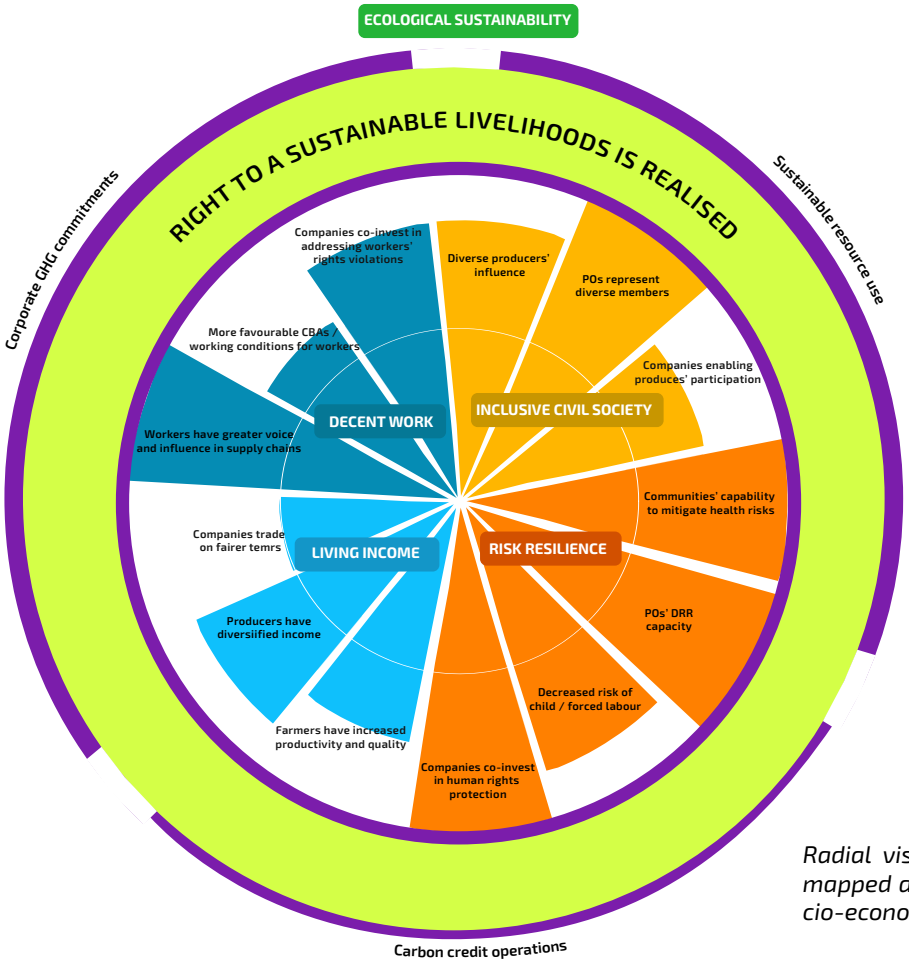
The programme's final evaluation highlights two important cross-cutting findings. First, **awareness raising** was one of the most significant impacts across the programme — visible in changed community attitudes towards child labour in West Africa, increased awareness of workers' rights in East Africa and South Africa, and growing understanding of sustainable farming practices among smallholder farmers. The evaluation also confirms that the programme succeeded in reaching groups that would not have been reachable through Fairtrade certification processes alone. Second, the most durable results were achieved where the programme strengthened **existing local structures** rather than creating new ones — from child protection committees in West Africa to grievance mechanisms in South African wine farms. This approach improved both sustainability and efficiency, building on existing community legitimacy and trust.

Beyond its planned results, the programme generated a number of u**nintended positive outcomes** that reflect the breadth of its influence. Agroforestry methodologies were organically adopted by non-target farmers who observed the micro-climate benefits in neighbouring fields, and entirely self-initiated VSLA groups emerged across communities inspired by the core project. The programme's approach to HREDD gained recognition beyond its direct partners — notably, B Lab, the international network behind B Corp certification, developed a HREDD system for small and medium-sized enterprises partly inspired by the DONUTS programme. Nationally, collective labour agreement negotiations within the Ethiopian floriculture sector yielded wage improvements that successfully extended to workers on farms outside the project's direct footprint, while the Anker living wage study established an invaluable benchmark utilized across the broader South African wine value chain. Finally, DONUTS achieved a clear flagship status within the global Fairtrade network, with parallel international teams actively adopting its methodologies.

These positive spillovers were balanced by complex, unintended systemic tensions. Heightened community awareness of children's rights occasionally increased household friction where severe economic pressures remained unalleviated. Furthermore, rapid updates to shifting EU regulatory frameworks—particularly regarding deforestation and strict organic farming compliance—placed immediate administrative and financial certification burdens on smallholders during the transition phase.

The DONUTS programme contributes to a broad range of **Sustainable Development Goals** across its three priority areas. The social sustainability area is most directly aligned with SDG 5 (Gender Equality), SDG 10 (Reduced Inequalities) and SDG 16 (Peace, Justice and Strong Institutions), through efforts to strengthen democratic PO structures, increase women's and youth participation in governance, prevent child labour and promote civic advocacy. The economic sustainability area contributes primarily to SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities), through work on living incomes, workers' rights, collective bargaining and HREDD. The ecological sustainability area is most directly aligned with SDG 13 (Climate Action), SDG 15 (Life on Land) and SDG 2 (Zero Hunger), through the promotion of agroforestry, climate-resilient farming practices and improved agricultural productivity. Several SDGs are cross-cutting across all three areas — notably SDG 3 (Good Health and Well-Being) and SDG 7 (Affordable and Clean Energy) through the clean cooking interventions, SDG 10 through the programme's consistent focus on inclusion of women, youth, PWDs and other vulnerable groups, and SDG 17 (Partnerships for the Goals) through engagement with companies, governments and civil society across value chains.

# Doughnut Model: Programme Achievement Levels




*Radial visualization of DONUTS Phase 1 outcomes mapped across core development dimensions of socio-economic foundations and ecological boundaries.*

The subsequent chapters detail the programme's progress against its result framework across all three priority areas.

## 2.1. Social sustainability

An active, inclusive civil society is a fundamental prerequisite for holding policymakers accountable, maintaining fair rules for commerce, and supporting vulnerable communities. The DONUTS programme's social sustainability priority area focused intensively on empowering civil society and enhancing both social and human capital among its rightsholders. By systematically reducing critical social shortfalls—such as deep-seated gender inequality, systemic discrimination, and hazardous child labour—the programme sought to widen the operational space for civil society actors by institutionalizing good governance practices within POs and forging strategic coalitions with CSOs. This social dimension is deeply intertwined with the programme's economic and ecological pillars: economic stability creates the conditions necessary for meaningful civic engagement, while robust community institutions and social capital provide the mandatory foundation for local climate resilience and sustainable livelihoods.

The **long-term impact** objective of this priority area is an **inclusive and strengthened civil society**. At the close of the initial phase, encouraging early signs of progress toward this impact goal are visible at the localized community level, even as macro-scale civil societies remain profoundly impacted by volatile global and national political developments.

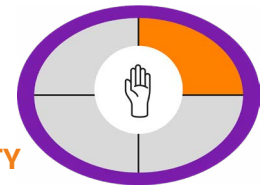
In fact, over the past years the **space for civil society has been narrowing** in most programme countries, mirroring a broader global contraction (CIVICUS Monitor). In Ethiopia, the civic space has been formally classified as closed since 2024 against a backdrop of regional armed conflict, strict emergency decrees, and severe restrictions on human rights defenders and CSOs (Amnesty, 2025). Kenya experienced an intense wave of youth-led protests starting in 2024 over corruption and escalating living costs, which met with severe state enforcement and operational disruptions (CIVICUS, 2025). Madagascar similarly faced profound socio-political turmoil, marked by widespread public unrest over infrastructure failures and culminating in a military coup in late 2025 (Al Jazeera, 2025). Across other operation countries, compounding economic pressures, intense commodity price volatility, and political transitions continuously strained the baseline operating environment for POs and rural communities. While the programme successfully maintained and adapted its core activities under these headwinds,

these structural macro-trends dictate that achieving inclusive, strengthened civil societies at a unified national level remains a long-term, multi-sectoral challenge.

A definitive, cross-cutting lesson derived from this priority area is that the most durable and cost-effective results—whether in child protection, marginalized inclusion, or community-level safety nets—were achieved where the programme invested heavily in **multi-stakeholder collaboration** rather than operating through isolated channels. Eradicating hazardous child labour, for instance, requires a rigorously coordinated framework linking smallholder households, PO management, local social services, educational systems, and downstream commercial buyers. The same operational logic governs PO advocacy: driving meaningful, systemic influence over smallholder rights, climate adaptation policies, or localized market conditions depends entirely on the cultivation of broad coalitions rather than individual organizational capacity alone.

This social sustainability impact objective was pursued through two strategic, long-term outcomes: **more democratic, inclusive and active POs as members of civil society, and enhanced community resilience to risks,** both discussed below in more detail. The programme's independent final evaluation confirms substantial progress across both long-term outcome indicators, highlighting exceptionally strong, pioneering breakthroughs in West African child labour prevention and systemic disability inclusion within our Ethiopian frameworks.

## LONG-TERM OUTCOME: MORE DEMOCRATIC INCLUSIVE & ACTIVE POs AS MEMBERS OF CIVIL SOCIETY



Achieving more democratic, inclusive, and active POs represents a cornerstone long-term outcome of the DONUTS framework, to which all projects contributed in one way or another. By the end of the programme, data demonstrates a powerful upward trajectory toward this objective. The share of PO members who perceive their organization as demonstrably inclusive and democratic rose from a baseline of 48% to 83%—substantially exceeding the 75% target—with uniform improvements recorded across historically marginalized demographics, including women, youth, and PWDs. This result directly validates the programme's deep investment in participatory governance, which systematically empowered SPOs to strengthen their internal architectures, upgrade member services, and establish safe, equitable spaces for diverse decision-making. In **Honduras**, this governance maturity was rigorously verified using the Cooperative Maturity Index developed by the CLAC; the final assessment proved that 91% of participating SPOs had achieved significantly stronger organizational and operational capacity than before the project's inception.

**Representation of women and youth** in PO governance structures also grew across most roles over the programme period, though unevenly. Most notably, both groups' representation in PO management grew significantly: the share of women from 20% to 37%, and youth from 8% to 25%. Progress was slower on premium committees, where both groups remain underrepresented relative to targets. These figures suggest civil societies that are gradually becoming more inclusive — yet translating increased representation into genuine decision-making power and behavioural change remains a longer-term process, requiring continued investment and multistakeholder collaboration.

The programme actively worked to increase women and youth's access to information, networks and leadership opportunities — through targeted training, deliberate inclusion in committee structures, policy changes and practical aspects that removed barriers to participation, such as childcare provision. That said, cultural norms, household responsibilities and — for both women and youth — limited access to land continue to pose barriers in many contexts, suggesting the need for even more gender-transformative approaches in the next programme phase.

**Rightsholders who perceive that their organization is inclusive and democratic: 48 % -> 83 %**

Overall, **the collective voice and influence of diverse farmers and workers** were fundamentally amplified over the programme period. The share of primary producers who report a clear capacity to influence internal PO policies or broader community regulations grew from 41% at baseline to 75%. While this shift marks a profound democratic advancement, the indicator experienced a notable dip in 2024 that was directly tied to compounding macroeconomic pressures and sudden localized leadership transitions across certain partner countries—a stark reminder that grassroots governance gains remain vulnerable to external shocks.

Systemic **disability inclusion** achieved remarkable milestones during this cycle, driven by an uncompromised effort to transition from tokenistic visibility toward high-integrity, active participation. The number of POs integrating PWD members with the help of updating their registers grew fourfold from 10 to 40, with the total number of registered PWD smallholders reaching 1,400—shattering the original target of 580. Simultaneously, 39 POs successfully completed rigorous disability inclusion analyses and formalized dedicated action plans, exceeding the target of 36. The programme's final evaluation highlights that the most exemplary breakthroughs were realized within Ethiopia, establishing a baseline model adopted across the wider global Fairtrade network – see the section of cross-cutting objectives for more information.

**POs with youth inclusion measures: 0 -> 38**

**POs with disability measures: 9 -> 39**



*"As a disabled farmer, I was able to participate in all project activities without discrimination. This meant a lot to me, as persons with disabilities are often left out. In this project, I felt seen, respected and supported in the same way as other farmers in the community. The trainings, seedlings, knowledge on compost management and energy efficient cookstove have really changed our farm and family well-being."*

Fikadu Rikiba, Coffee farmer,
Ethiopia coffee project

Evidence from programme monitoring suggests that by the end of the programme, **POs were representing the interests of their members, including vulnerable groups, more effectively** than before. POs' independent advocacy capacities and partnerships with broader CSOs grew substantially. The number of formalized CSO partnerships reached 68 by the end of the programme, significantly outpacing the target of 46. These strategic alliances focused on a diverse array of structural challenges, including rights advocacy, marginalized inclusion, technical capacity building, HREDD execution, clean energy transitions, workers' rights protection, and disaster risk reduction. Concurrently, the share of POs actively leading or participating in public advocacy campaigns reached 56%, well above the 35% target, driving localized campaigns cantered on child rights protection, gender equity, water conservation, and ecosystem protection.

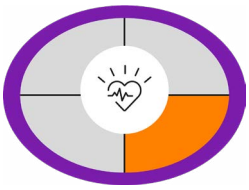
## Bolivia:

**67 % of female SPO members feel their diverse opinions can be elevated and respected in their farming organization (baseline 27 %, target level 65 %**

**95 % of SPO leaders express a positive attitude towards gender equity (baseline 75 %)**

Progress towards the outcome objective of **Companies and authorities enable for diverse farmers' participation in supply chains** also yielded promising advancements. At least four major policy transformations were passed with direct Fairtrade contribution, including a municipal-level child protection policy in Ghana, clean energy legislation enacted across two Kenyan counties, and structural contributions to Ghana's national environmental planning processes. Furthermore, the number of small and medium-sized enterprises (SMEs) and independent individuals gaining direct, secure access to value chains through programme activities reached 60 SMEs and nearly 400 individuals, substantially outperforming original target. These results stem directly from targeted project interventions that built viable local income diversification frameworks and youth employment pipelines.

Finally, the **HREDD dialogue project** achieved critical milestones by facilitating a direct, structured dialogue mechanism between commercial buyers and rightsholders within the Kenyan floriculture sector, resulting in transparent exchanges regarding value chain vulnerabilities, impacts, and collaborative remediation strategies. In tandem, two prominent Ghanaian cocoa cooperatives successfully finalized comprehensive human rights and environmental risk assessments alongside extensive capacity training in explicit preparation for bilateral dialogues with downstream buying companies. While the ambitious target of three completely finalized dialogue processes was not fully realized due to external timeline frictions, these initial iterations generated invaluable insights for future frameworks. These include the absolute necessity of delivering extensive, upfront capacity building on HREDD mechanisms, collaborative agenda-setting, and realistic expectation management to both commercial buyers and upstream producers to guarantee a balanced, genuinely two-way exchange. Furthermore, the deployment of expert external facilitation proved indispensable for balancing inherent power asymmetries and successfully navigating sensitive negotiations, ensuring that diverse rightsholder perspectives were meaningfully heard, respected, and codified into joint agreements.



## LONG-TERM OUTCOME: ENHANCED COMMUNITY RESILIENCE TO RISKS

Progress toward enhancing community resilience to systemic risks emerged as one of the DONUTS programme's most robust result areas. This outcome objective targeted communities' capacities to **prevent and respond to health and disaster risks, hazardous child labour and forced labour.**

Developments in **rightsholder health** yielded exceptional quantitative metrics: 91% of sampled rightsholders reported a verifiable improvement in their health by the conclusion of the programme period, up from 71% recorded at the end of the first year. This significant upward shift was driven by a coordinated combination of clean cooking transitions, upgraded workplace safety conditions, and targeted disability support.

**Expanded access to clean energy** represented one of the programme's most tangible contributions to **communities' capacities to mitigate health risks**. The number of households utilizing healthier energy technologies grew exponentially from approximately 730 to 11,800 by project closure, vastly outperforming the original target of 9,150. This surge was propelled by the rapid acceleration of cookstove manufacturing and installation across Ethiopia, Kenya, and Malawi during the final year of the programme. These improved cookstoves dramatically upgraded indoor air quality. The independent final evaluation highlighted that these clean cooking solutions yielded profound gender-transformative benefits, significantly accelerating meal preparation, mitigating severe respiratory smoke exposure, and lowering the domestic unpaid workload for women.

However, the structural sustainability of these clean energy outcomes varies by geographic context. In Kenya, a highly successful revolving fund model was established, enabling flower plantation workers to access clean cooking technologies upfront and clear the asset cost through seamless salary deductions. This fund is entirely self-sustaining through continuous repayments, and local stakeholders have formalized commitments to maintain the infrastructure independently beyond the programme period. Conversely, the long-term viability of the clean cooking initiative in Malawi remains less certain due to persistent regional fuel supply chain bottlenecks. To mitigate

this vulnerability, Fairtrade Africa's permanent field presence in Malawi has been strategically leveraged to provide continued monitoring and troubleshooting post-closure.

On **disaster risk reduction (DRR)**, five POs fully executed localized DRR frameworks by the end of the cycle, exceeding the target of three. This result was driven primarily by the Madagascar vanilla initiative, where recurrent, destructive cyclone shocks deeply intensified community demand for climate adaptation planning. Following these severe weather events, smallholders proactively requested technical training on anti-erosive soil management. The project responded by constructing runoff-speed reduction canals, soil bunds, infiltration holes, windbreaks, and living hedges. In Bolivia, drought and El Niño effects similarly motivated interest in climate resilience planning among coffee cooperatives. Generally, the operational weight of DRR was lighter across the broader portfolio than originally designed. Because the majority of African partner POs confront slow-onset climate strains—such as shifting rainfall patterns and pest migrations—rather than acute, catastrophic natural disasters like earthquakes or cyclones, local communities systematically prioritized other direct agricultural and economic project interventions over formal DRR planning.

Systematically **reducing the risk of child labour** stood as one of the programme's most impactful achievements, concentrated heavily within the West African cocoa sector where these vulnerabilities are most severe. The number of high-risk communities independently operating self-governing child labour monitoring and remediation systems grew from 23 at baseline to 75 by the conclusion of the phase. All 75 community child protection committees reported significantly upgraded response and remediation capacities. This outcome stems directly from the sustained, community-centred approach of the KKCLMRS and the CIRCLE projects in Ghana. These initiatives deliberately embedded child protection into the fabric of local producer cooperatives, schools, social welfare agencies, traditional authorities, and households, rather than executing it as an externally managed project activity.

## Honduras:

### +74 % SPOs' protection policies

In Honduras, the share of SPOs actively implementing at least one formalized protection policy encompassing labour, gender equity, or child protection rose from a 42% baseline to 73%, nearly achieving the 75% target. Concurrently, a specialized pilot with four voluntary SPOs successfully deepened internal child protection compliance, culminating in the institutionalization of community committees and targeted rights campaigns. Child protection frameworks also achieved exceptional operational maturity within the Madagascar vanilla sector, yielding the functional institutionalization of local protection committees backed by formalized cooperative policies and powerful community mobilization

While building stronger formal linkages and automated data sharing with existing statutory government child protection systems remains a priority for the 2026–2029 phase, a core learning was finalized: the effective eradication of child labour requires deep multi-stakeholder collaboration across all tiers, linking smallholder households directly with downstream buyer companies whose purchasing practices and farm-gate pricing ultimately dictate whether families can secure a decent livelihood without relying on child labour.

*"Before the project, we didn't have the tools or knowledge to properly help children in trouble. Now, we've been trained, and the community listens to us. We've stopped several cases of child labour and helped families get support. It's made a big difference."*

Diana Adjaki, Community Child Protection Committee member, CIRCLE project in Ghana.

According to the programme evaluation, awareness raising on children's rights has led to visible changes in community attitudes toward child labour and shifting in social and triggered visible transformations in community norms, shifting social and cultural attitudes away from the acceptance of child exploitation. Furthermore, this heightened awareness generated a major unplanned result: parents and traditional leaders who were not originally targeted as direct project beneficiaries became active agents in scrutinizing and challenging harmful child labour practices among their peers. Altogether, the two Ghanaian child protection initiatives successfully identified 3300 children either engaged in or at acute risk of hazardous labour. Crucially, the vast majority of these children were discovered within vulnerable households operating outside the membership of Fairtrade certified POs, proving the programme's capacity to deliver public-good benefits beyond its standard commercial boundaries. These children received comprehensive remediation tailored to secure school reintegration, typically comprising essential school supplies, uniforms, textbooks, or bicycles to overcome long commuting distances. Children over the age of 15 were transitioned into formal vocational training pipelines, and families received iterative follow-up assessments to verify the long-term efficacy of the remediation.



*"Due to the distance from home to school, my son could not make it. After we got a bicycle through the KKCLMRS project, now all I have to do is get him ready for school. This is one of the benefits I have received from the project."*

Pricilla Amoah
Mother in Kasapin cocoa growing community

Persistent, systemic poverty within cocoa-growing regions remains the most significant long-term sustainability risk for these achievements, as immediate economic survival can override child protection advancements. This threat is being actively mitigated by the parallel livelihood and income improvements achieved through the Sankofa 2.0 project's agroforestry interventions in overlapping geographic clusters, reinforced by Fairtrade's permanent field infrastructure. Additionally, despite a heavy focus on localization, a risk remains that these monitoring structures stay dependent on project-specific funding and personnel rather than being fully absorbed by municipal government frameworks. This underscores the vital importance of engaging public duty-bearers through macro-level advocacy.

As a **local advocacy** effort, over 70 Community Action Plans

were developed across target clusters, capturing rightsholders' self-determined infrastructure priorities for child safety, such as clean water boreholes, school blocks, healthcare facilities, and daycare centres. These highly participatory processes mobilized thousands of community members. The resulting blueprints were formally presented to municipal and district assemblies for integration into long-term statutory planning, though implementation by local authorities has been partial to date due to intense municipal resource constraints. Alongside these development plans, 40 functional community by-laws were legally enacted across all KKCLMRS target areas, bindingly regulating and limiting the involvement of children in family farm labour. Furthermore, one of the CIRCLE project's premier achievements was a structural advocacy collaboration with a regional sectoral technical committee, which united local government executives, traditional authorities, and civil society to secure the formal adoption of child protection and environmental sustainability policies within the Asunafo North Municipal Assembly.

The programme also expanded its scope from child protection to include the **rights of vulnerable adult workers against forced and involuntary labour**. All targeted Ghanaian cocoa cooperatives successfully institutionalized a formal policy or internal management framework to protect vulnerable adults, achieving a 100% success rate from a baseline of zero. Because exact data on forced labour is exceptionally difficult to capture due to the extreme sensitivity of the topic, a lack of locally validated diagnostic survey tools, and weak public recognition of the issue, interventions focused heavily on intensive rights education, capacity building for community monitoring units, and the successful rollout of over 300 legally binding tenancy agreements between landowners and sharecroppers.

Finally, progress toward securing **private sector co-investment to address human rights violations** in supply chains yielded highly promising outcomes. Four major global commercial partners directly financed and operationally backed child labour and forced labour elimination initiatives during the programme cycle. Notably, commercial partners HALBA and Tony's Chocolonely engaged transparently with upstream suppliers in HREDD mapping process to identify, prevent, and mitigate value chain violations, laying critical groundwork for expanded corporate accountability across the cocoa sector. The final evaluation highlights that the active, operational co-investment of buyer companies—manifested through fair purchasing practices, transparent pricing, and direct risk-sharing with suppliers—is the single most critical success factor on the road to eradicating child and forced labour, a systemic reality that the DONUTS programme has successfully demonstrated in practice.

## 2.2. Economic sustainability

Supporting smallholder farmers' and agricultural workers' pathways to sustainable livelihoods sits at the absolute core of all Fairtrade interventions. Social sustainability cannot be realized or sustained without structurally anchoring the rightsholders' economic sustainability. This dimension encompasses the systemic realization of living incomes, decent work, robust trade unions, and upgraded market negotiation positions for POs selling their commodities. The DONUTS programme strategically positions itself at the intersection of commercial actors and civil society, optimizing value chains to elevate producers' voice and structural leverage. By driving coordinated collaborations linking trade unions, cooperatives, commercial brands, and CSOs, the programme works to trigger structural change across multiple tiers of society. Furthermore, many of the programme's economic sustainability objectives carry profound ecological co-benefits; for instance, the scaling of diversified agroforestry systems simultaneously strengthens household income security and environmental resilience.

The long-term impact objective of this priority area— that **farmers' and workers' economic rights are realized** —remains a longer-term horizon target, as it demands deep, sector-wide transformations that extend far beyond the scope of any single development programme. Nevertheless, the final evaluation confirms encouraging early signs of systemic progress. Household income levels increased for a substantial share of farmers and workers, workers' committees and internal grievance mechanisms were structurally reinforced, and early indicators of long-term contributions to decent work are clearly visible. Concurrently, unprecedented cocoa and coffee price surges during the programme period provided a significant external boost to farmer revenues. However, the inherent volatility of global commodity markets dictates that these price spikes cannot be relied upon for permanent poverty alleviation, meaning the programme's direct contributions through enhanced agricultural productivity, diversified income streams, and fortified cooperative negotiating capacities remain indispensable for long-term climate and market resilience.

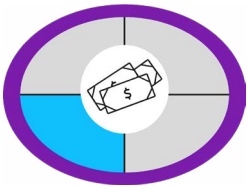
Conversely, in the vanilla sector, rightsholders confronted a devastating counter-shock. A massive global oversupply of vanilla and historic lows in international market pricing, compounded by intense domestic political instability and a near-total standstill of the domestic vanilla trade in Madagascar, pushed rural farming communities into extreme poverty. This severe economic crisis heavily impacted producer motivation, forcing multiple smallholders to pivot away from vanilla toward alternative survival crops and temporarily hindering attendance at technical project trainings.

The rapidly evolving regulatory landscape, particularly regarding **HREDD**, heavily shaped the programme's operational environment throughout the cycle. The inclusion and retention, despite EU's omnibus process in 2025, of due diligence obligations for living incomes and living wages in the CSDDD was a significant advocacy achievement. Simultaneously, this regulatory shift sparked valid anxieties among upstream POs regarding the risk of multinational buyers decoupling from high-risk regions rather than investing in local compliance. The programme actively countered this threat by supporting both primary producers and downstream commercial partners to engage with HREDD processes meaningfully, anchoring operations in the principle of shared value-chain responsibility rather than top-down compliance alone.

Ultimately, economic results are heavily mediated by external macroeconomic and environmental forces—including sharp commodity price fluctuations, inflation, weather anomalies, and shifting regulatory frameworks—that lie largely outside the programme's direct control. This complexity underscores why isolating and communicating the programme's specific technical contribution is both vital and analytically challenging. Realizing absolute living incomes and living wages for produc-

ers over the long term requires uncompromised commitment and binding collaboration across the entire global value chain, uniting producers, CSOs, commercial enterprises, consumers, and statutory governments through high-integrity HREDD frameworks. The programme pursued this economic impact objective through two strategic, long-term outcomes: the realization of **farmers' right to a living income**, and **agricultural workers' right to decent work**. Progress against both objectives is detailed in the subsequent sections.

## LONG-TERM OUTCOME: FARMERS' RIGHT TO LIVING INCOME IS REALISED



The programme deploys two primary, strategic pathways toward realizing a living income for smallholders: first, maximizing revenues from primary agrarian livelihoods through structural upgrades in crop productivity, post-harvest quality, direct market access, and business management skills; and second, systematically diversifying household income streams to mitigate over-dependence on a single cash crop.

Programme data reveals that **21% of sampled smallholders were earning a verified living income** by the conclusion of the phase—marking a solid trajectory shift from the 15% baseline, although remaining below the ambitious 40% target. A fundamental structural challenge is that achieving absolute living incomes requires macro-level price restructuring, state policy updates, and sustained financial risk-sharing from downstream actors across the value chain, all of which extend beyond localized, project-level interventions. Methodologically, executing precise rural household income surveys across diverse partner countries remains exceptionally complex; hence, this percentage serves as a highly rigorous baseline estimate. While global cocoa and coffee prices surged significantly over the programme period and cooperative productivity advanced, much of this progress was heavily eroded by escalating local production costs and severe domestic inflation. Consequently, nominal income gains did not translate proportionally into a narrowing of the absolute living income gap. Furthermore, a substantial share of the long-term income gains will only materialize post-closure, given that newly planted, high-yield cocoa trees require five to seven years to reach full biological productivity.

A persistent vulnerability is that female smallholders remain less likely than their male counterparts to attain a living income. This disparity directly reflects the deeply entrenched, gendered division of labour within West African farming communities, where men traditionally retain executive control over primary cash crops like cocoa, while women's labour is concentrated in unpaid subsistence farming and household management, restricting their direct access to cash reserves. The programme proactively addressed this asymmetry through targeted, women-led income diversification and structured savings initiatives. While these interventions yielded highly encouraging results, transforming structural gender roles and traditional labour divisions is inherently gradual and has been designated as an uncompromised priority for the 2026–2029 phase.

**Global commodity markets** exhibited extreme volatility throughout the four-year cycle, profoundly impacting smallholders' economic trajectories. Both coffee and cocoa prices experienced dramatic market surges, with coffee climbing to a historic peak in February 2025 (Trading Economics, 2026) and record cocoa pricing prompting the governments of Ghana and Côte d'Ivoire to double mandatory farm-gate prices between the 2022/2023 and 2024/2025 harvest seasons (CCC, 2024; COCOBOD, 2024). However, in late 2025, both commodities faced sudden, sharp market corrections, culminating in dramatic cuts to cocoa farm-gate pricing in early 2026. (African Agribusiness, 2026). Conversely, the vanilla sector in Madagascar faced a continuous crisis: farm-gate prices collapsed by over 90% between 2019 and 2023 due to a massive global oversupply (Fairtrade, 2024), with prices remaining severely depressed for the duration of the programme.

These divergent market realities powerfully validate the programme's deep insistence on income diversification, yield optimization, and agroforestry as the only resilient pathways to long-term economic stability, proving the limits of relying solely on temporary global price spikes. Even during peak pricing intervals, smallholder households did not capture the full economic benefit, as revenue gains were severely diluted by hyper-inflation across primary operation countries. Ghana's inflation peaked at 54% in December 2022, Ethiopia's reached 37% in May 2022, and Malawi averaged over 32% across 2024, placing unprecedented pressure on household purchasing power. (Ghana Statistical Service, 2023; National Bank of Ethiopia; IMF via Statista).

**Estimated yield (kg/ha) growth:**
**Vanilla: Madagascar +103 %**
**Cocoa: Ghana +34 %**
**Coffee: Kenya +7 %**

In the programme ToC, **increased productivity and quality** form the first pathway towards living income from farmers' primary livelihoods. Programme activities focused on strengthening soil health, plant resilience and good agricultural practices (GAPs), with encouraging yield improvements recorded across most commodity groups. Progress was exceptionally pronounced in Ghana, where cocoa yields expanded from a baseline of 332 kg/ha to 444 kg/ha, and in Madagascar, where vanilla yields more than doubled, surging from 167 kg/ha to 339 kg/ha. Kenyan coffee yields grew from 801 kg/ha at baseline to 859 kg/ha, while Ethiopian coffee yields demonstrated visible upward trajectories, though localized baseline data gaps restrict precise comparison. These agricultural results were supported by external factors, including highly favourable localized weather patterns in specific clusters and public input-subsidy infrastructure in Ghana, alongside high commodity prices that incentivized farmers to reinvest capital directly back into their plots.

In **East Africa,** smallholder coffee revenues were further fortified through agroforestry integration and upgraded market channels. In Kenya, the widespread adoption of disease-tolerant coffee varieties represents a permanent asset change that will secure coffee quality and elevated pricing over the long term. Co-investments in industrial solar dryers modernized post-harvest handling, slicing manual labour costs by 30% and cutting drying times by half. This enabled cooperatives to deliver beans to market faster, capturing premium early-season pricing. In Ethiopia, localized demonstration plots served as

critical, high-integrity learning sites that modernized farming systems. Crucially, the Yirgacheffe Union was operationally supported to participate in the prestigious Ethiopian Golden Cup coffee quality competition, directly driving increased premium sales of value-added specialty coffee.



*"As I look at my coffee plants, I can already see that they produce a lot more than before. I am not using as many fertilizers and pesticides as I used to, which has helped me save money. Also, our avocado seedlings now have a good market, and they are no longer going to waste."*

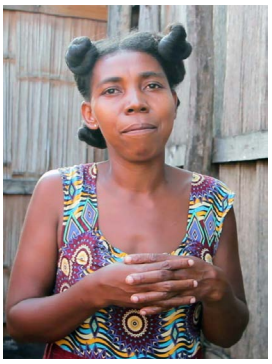
Nyaga Mwanga, Coffee farmer
Kenya coffee project

In **Bolivia**, this focus on post-harvest mastery yielded outstanding results: one-third of participating SPOs successfully elevated their coffee profiles into the elite "excellent" quality range, while the remaining two-thirds securely maintained a "very good" standard.

**Income diversification** forms the second core pathway within the programme's theory of change and generated highly successful outcomes. The number of active, household-level diversification initiatives expanded from a baseline of 8 to 37 by programme closure, encompassing agroforestry, livestock rearing, clean energy entrepreneurship, and micro-finance networks. The share of total household revenue derived from a single primary cash crop fell from 85% to 60%, indicating a profound reduction in commodity dependency. Furthermore, 70% of sampled rightsholder households reported a net increase in income directly via these diversified sources.

In **Ghana**, the **Sankofa 2.0 project** directly enabled over 960 smallholders to transition to complex multi-strata agroforestry models that seamlessly integrate food crops and timber trees alongside cocoa, while providing technical backstopping to over 2,550 farmers maintaining climate-smart cropping systems established in the previous phase. Significantly, nearly 40% of these supported producers were women—a major breakthrough given historical male land dominance within the West African cocoa belt. This diversification proved highly gender-transformative, as women traditionally manage local vegetable and fruit cultivation while men retain cocoa revenues. On average, smallholders participating in Sankofa 2.0 generated approximately 3695 GHS (289 EUR) from these parallel crops grown within their cocoa acreage, marking a vital step away from monoculture dependency.

To ensure these new revenue streams were managed sustainably, the programme supported the institutionalization of self-managed Village Savings and Loan Associations (VSLAs) across Sankofa 2.0 communities. At least 850 people — 65% of whom were women — became active shareholders across 31 operational VSLA groups. The total value of micro-loans accessed and disbursed through these units reached USD 289,478, nearly tripling the original target of USD 100,000. VSLA groups have been supported across several projects, including LEAP in Côte d'Ivoire and Living Income Accelerator in Madagascar.



*"I have been a VSLA member for two years. I used to sell my vanilla when it was still ripening on the vines at a very low price, but now I don't have to do so. I also used to sell my home furnishings to make ends meet during the lean period. The VSLA and support by the Vanilla LIA project have pulled me through. I used to regularly turn to friends and relatives to borrow money. Now I can solve these types of problems myself thanks to being a VSLA member."*

Lucie Monica, Member of Avorta VSLA
Living Income Accelerator (LIA) Vanilla project in Madagascar

In **Côte d'Ivoire**, the LEAP project drove structural diversification by brokering direct commercial partnerships between local cooperatives and private sector enterprises across parallel cashew, rubber, honey, and palm oil value chains, resulting in the sale of over 1,500 metric tons of palm kernels in 2025 alone. Over 1,100 cocoa-farming households gained direct access to these new markets; by project conclusion, smallholders' net income from alternative on-farm activities surged by 120%, while net off-farm income grew by 200%. A vital sustainability mechanism within LEAP was the mandate for smallholders to actively co-invest in their own advancement—whether through purchasing customized crop insurance, capitalizing micro-enterprises, or formally hiring specialized Agripreneur Business Units (ABUs) to deliver professional agricultural services on their acreage.

An outstanding innovation within LEAP was the establishment of 16 self-governing ABUs providing mechanized agricultural services—including pruning, weeding, and precise input application—to cooperative members. These units operated as highly viable local service providers, delivering professional pruning to over 430 farmers and weeding to over 40 farms in 2025. A similar model was adopted in Ghana's Sankofa 2.0 project, where 17 rural service enterprises were launched and certified, comprising landless youth who previously lacked direct access to agricultural land.

The second Ivorian initiative, the **Income Diversification for Women** project, was completed in July 2024, successfully supporting women's groups across four major cocoa cooperatives to generate independent revenues through the processing and sale of cassava and eggs. By project closure, three out of the four collective enterprises achieved full operational autonomy, generating a valuable supplementary income per household and enabling 98% of participants to lead at least one additional income-generating activity. While initial revenues remain modest, the project established permanent institutional foundations, including rigorous financial literacy and the opening of corporate bank accounts in the associations' names. Internal social frictions between native and migrant community members initially challenged implementation, but intensive training in democratic governance and financial transparency successfully restored social cohesion by project conclusion.

In **Honduras**, SPOs' technical understanding of living income concepts and value-chain mechanisms doubled from 44% to 87%, significantly outperforming the 60% target. Consequently, 54.5% of producers rated their livelihoods at a high or very high sustainability level, beating the 50% target. This positive outcome was driven by the project's emphasis on climate change

adaptation planning—which led 47% of organizations to execute comprehensive adaptation models where none previously existed—and a massive push for crop diversification that reached 81% of producers. Diversifying holdings into organic vegetables, fruit orchards, timber trees, basic grains, and medicinal herbs proved indispensable for sustaining household food security and financial resilience.

Within the Kenyan and Ethiopian coffee frameworks, smallholders were supported to lay the technical groundwork for future c**arbon credit revenue** streams, generated through the adoption of fuel-saving cookstoves. While the Kenyan cooperative and the two Ethiopian coffee unions did not finalize direct carbon credit sales during the programme period due to the rigorous compliance protocols of the Gold Standard system, the initiative delivered immediate financial returns. Local youth groups who manufactured the cookstoves earned a combined total of over 40,000 euros in direct sales. Simultaneously, households utilizing the stoves achieved immediate cash savings due to a substantial reduction in domestic firewood purchasing requirements.

Finally, consumer markets **in Finland** directly mirrored these shifting global dynamics. Finnish consumers faced a 29% surge in retail coffee prices and a 20% increase in chocolate pricing in 2025 alone (Maaseudun Tulevaisuus, 2026), demonstrating the absolute interconnectedness of upstream producer realities and downstream retail markets. Fluctuation in retail pricing directly shapes consumer demand, which subsequently impacts primary producer incomes. The programme's strategic development communications and advocacy actively upgraded the baseline understanding of Finnish corporations, public procurers, and consumers regarding the long-term human impacts of their buying power, successfully promoting sustainable alternatives for ethical supply chain management.

**Good compliance score in decent working conditions**

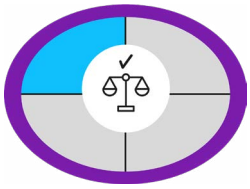
**37 % -> 72 %**

Progress toward **living wages** remains constrained, an expected outcome given the deeply entrenched, structural nature of global labour markets. However, the programme delivered a highly meaningful contribution by establishing a rigorous, updated Anker living wage benchmark of 450 EUR per month for the Western Cape wine sector, successfully correcting a heavily outdated previous baseline. This initiative was directly driven by three major corporate partners—Finland's Alko, Sweden's Systembolaget, and Norway's Vinmonopolet—who co-financed the project. Consequently, while actual worker wages did not decrease, the statistically reported share of rightsholders achieving 100% of this significantly higher, re-baselined Anker threshold adjusted from 9% to 0.1%. Rather than representing a setback, this variance illuminates the true scale of the living wage gap and equips the sector with an honest, credible baseline for future advocacy. Advancing toward living wages presents challenges identical to those of living incomes, demanding multi-faceted, long-term collaboration to realize sector-wide structural changes.

**50 % gap**

**between legal minimum wage and Living Wage Benchmark (LWB) in SA wine sector**
**Min wage: 290 EUR/month**
**LWB: 450 EUR/month**

## LONG-TERM OUTCOME: AGRICULTURAL WORKERS' RIGHT TO DECENT WORK IS REALISED



The strategic interventions under this outcome area focused on safeguarding labour rights, establishing living wage baselines, and amplifying workers' institutional influence across international supply chains. Promising structural results were achieved within the Ethiopian floriculture and South African viticulture sectors. The share of Hired Labour Organizations (HLOs) demonstrating consistent compliance with decent working conditions expanded from a baseline of 37% to 72% by the conclusion of the programme, surpassing the 64% target—a significant milestone validating sustained capacity building and systemic engagement with both workers and employers. For example, within the South African wine sector, the independent endline evaluation confirmed a massive advancement in agricultural workers gaining access to decent working conditions, jumping from a baseline of 13% to 90%, vastly outperforming the 60% target. Additionally, between 85% and 90% of surveyed workers reported a verifiably improved socioeconomic status.

**Nordic Monopolies Driving Living Wages in South African Wine Supply Chains**

The Nordic alcohol monopolies collaborated closely under the DONUTS programme to improve workers' rights, conditions, and incomes on South African wine farms. Finland's Alko funded an initial wage-level study, paired with extensive stakeholder engagement, importer roundtables, and living wage training across both regions. This deepened companies' understanding of value distribution and prompted a more systematic examination of how purchasing practices affect human rights in high-risk supply chains.

Following the South African study, Alko identified the need for an independent Impact Buying assessment of how its own procurement processes, tendering practices and pricing policies affect the achievement of living wages. One of the recommendations arising from the assessment was to introduce concrete incentives for responsible sourcing, so that suppliers bearing higher costs due to more responsible production would not be placed at a competitive disadvantage in procurement processes. Alko subsequently changed its practices by introducing additional points in procurement evaluations for sustainability-certified products. This structural shift directly shaped Alko's product assortment, empowering consumers to support

primary producers' livelihoods through their purchasing choices.

Mirroring this momentum, Sweden's Systembolaget and Norway's Vinmonopolet funded the Living Wage Benchmark study for the Western Cape. This phase also included extensive stakeholder collaboration, training activities and advocacy. In tandem, we delivered targeted training on labour conditions and responsible purchasing to dozens of their suppliers and importers—a continuing initiative now amplified by the benchmark's availability. Throughout the project, Alko and the other Nordic monopolies have also shared lessons learned with companies from other sectors through Fairtrade and stakeholder-led training events, multiplying the project's cross-sector impact.

**Workers' collective voice and institutional influence** strengthened modestly over the programme period, with formal trade union membership among target workers growing from 69% to 74%. In Ethiopia, 85% of workers on participating flower farms belonged to trade unions by 2025. Although union affiliation is common, significant gaps remain regarding the full realization of workers' rights. For example, even though CBAs negotiated during the programme period secured impressive breakthroughs, including substantial wage increases, low basic salaries remain a critical challenge on the farms. This issue is particularly severe given that the majority of flower sector workers are young women who lack complementary or diversified sources of household income.

In South Africa, awareness of rights and responsibilities among interviewed workers reached an uncompromised **100%**, up from a 72% baseline. However, structural vulnerability remains high; a persistent fear of job loss and the potential forfeiture of on-farm housing continue to deter multiple workers from formally reporting rights violations. To counter this, the programme invested heavily in fortifying trade unions through specialized training in digital marketing, collective negotiation, advocacy, and policy formulation. While workers' union affiliation and overall perceptions improved, total unionization levels remain low by international standards. On the employer side, only 33% of participating wine companies reported a positive perception of trade unions. While low, this metric represents a major cultural shift from a baseline of zero, when producers routinely refused to engage with organized labour. Despite lingering mistrust rooted in decades of apartheid-era systemic violations—and a continued preference by management to attend sessions remotely—bringing both parties to the same table to engage in direct industrial dialogue marks a significant breakthrough for the sector.

Progress regarding **collective bargaining and improved working conditions** was mixed but overall encouraging. The share of HLOs with a valid CBA in place grew from 23% at baseline to 52%—a substantial improvement, though falling short of the ambitious 70% target. The most notable success occurred within the Ethiopian floriculture sector, where 100% of the six participating farms successfully had functional CBAs in place by project closure. Progress advanced more slowly in the South African wine sector, where only one out of thirteen farms finalized a CBA. This variance stems from rigid domestic legal constraints that strictly mandate union-led negotiations, coupled with a highly fragmented local trade union landscape. Nonetheless, vital groundwork was laid alongside state authorities to establish an Agricultural Bargaining Council (ABC) for the wine industry, a structural initiative that Fairtrade will continue to support beyond the project's formal timeline.

On protection against abusive and exploitative behaviour, the programme recorded strong advancements. The share of organizations operating a verified internal management system to address misconduct reached 89%—well exceeding the initial target of 19 organizations—while 91% of targeted entities successfully adopted a formal policy against sexual harassment and gender-based violence, up from a baseline of 19%.

Wage equity evaluations yielded more complex results. The ratio between the highest and lowest paid wages showed diverging trends across the two target sectors—improving on South African wine farms but widening within the Ethiopian flower sector over the programme period. However, this trend line requires nuanced interpretation: in South Africa, developments were heavily influenced by one higher-wage HLO being decertified and exiting the programme. In Ethiopia, the widening gap reflects long-term workers successfully gaining experience-based wage increases, while base entry-level salaries remained unchanged.

The Ethiopian flower project supported workers' rights built on momentum from the previous cycle, driving notable results under DONUTS. During the 2022–2025 period, farm-specific primary trade unions formed strategic clusters that successfully negotiated either entirely new or thoroughly revised CBAs for every participating flower farm. These CBAs secured significant salary increases alongside critical welfare adjustments, including inflation-mitigation bonuses, extended maternity and paternity leaves, upgraded transport allowances, and legally mandated reduced workloads for pregnant workers. Owing to these targeted efforts, functional grievance mechanisms equipped with independent committees, written protocols, and confidential reporting channels now operate across 100% of participating flower farms. All target flower farms have also strengthened their sexual harassment prevention policies and standardized gender-based violence (GBV) reporting protocols.

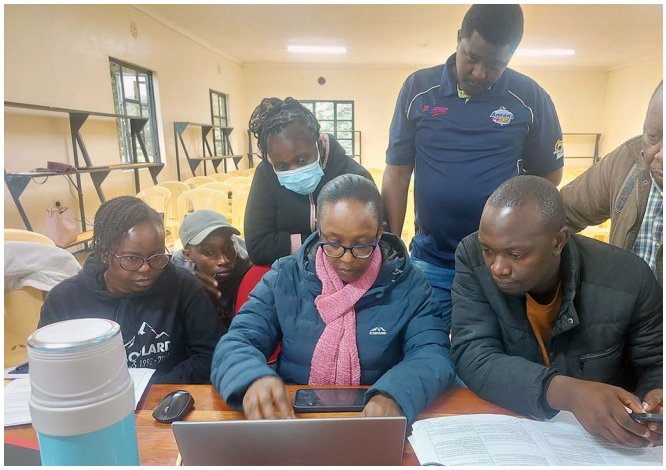
Throughout the programme period, downstream **companies increasingly co-invested in addressing workers' rights violations**. Four major commercial partners fully implemented robust HREDD processes with programme support, exceeding the target of three, and 23 enterprises were trained on decent work standards and responsible corporate practices. A particularly strong achievement was the establishment of transparent, effective grievance procedures across 100% of targeted HLOs, up from a baseline of 23%. This total coverage reflects substantial progress in strengthening mutual trust between labour and management, reinforcing executive accountability across participating workplaces.
In Ethiopia, 112 grievances were formally processed across participating organizations in 2025, with 96 successfully resolved—an 86% resolution rate that reflects the genuine institutionalization of grievance management rather than mere procedural compliance. In South Africa, rights awareness skyrocketed, with 100% of workers surveyed in 2025 reporting complete awareness of existing grievance handling procedures, up from a baseline of 0%. Focused awareness campaigns and the appointment of dedicated committee focal points ensured that these grievance channels remained highly

*"The DONUTS learning trip to Kenya not only changed how I view workers' rights, it empowered me to fight harder for them. The way Kenya's horticulture sector handles collective bargaining is far more advanced than ours. The sectoral CBA model was eye-opening. Kenyan farms also prioritize worker welfare facilities like childcare centres. Inspired by this, we plan to push for the inclusion of similar benefits in our upcoming CBA negotiations."*

Bonsa Guracho, Trade unionist at Herburg roses, Ethiopia flower project

understood, despite high seasonal labour turnover. Critical worker rights issues, including unauthorized overtime and forced labour vulnerabilities, were effectively investigated and remediated. Furthermore, 100% of interviewed workers in South Africa reported an increased understanding of their rights and responsibilities, which they attributed directly to improved industrial relations with management, while 85% explicitly linked these strengthened relations to an enhanced socioeconomic status.

While the decent work component primarily targets large-scale plantations and HLO structures, the coffee project in **Honduras** successfully integrated a results framework focused directly on cooperative workers. From a baseline of zero, 63% of SPOs successfully launched functional workers' committees, which actively developed and executed targeted action plans protecting workers' rights by project conclusion, significantly exceeding the 50% target.



*"HREDD seemed like a theoretical high-level regulation until the HREDD dialogue project pilot. It has been a learning curve as HREDD has been made simple with a practical roadmap for implementation. We have boosted our capacity and independently developed our HRE risk assessment and mitigation plan. Now we have a functional HREDD team to lead the process, when previously when it was solely the responsibility of the Human Resource Unit."*

Joyce Eusebia, HR Officer, Flamingo Horticulture, IBIS Farm in Kenya

## 2.3. Ecological sustainability

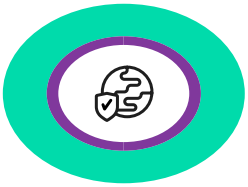
Ecological sustainability is an absolute prerequisite for both social and economic sustainability, as climate change, accelerated biodiversity loss, and environmental degradation pose existential threats to rural producers' livelihoods and the integrity of the global food system. Confronting these interlinked planetary crises demands the institutionalization of sustainable production and consumption frameworks, alongside unified, collective action across entire value chains. The DONUTS programme explicitly prioritized the structural linkage between humans and ecosystems, supporting producers to shift their livelihoods toward long-term ecological equilibrium.

The long-term impact objective of this priority area is that farmers and agricultural workers live in harmony with the environment and climate. While this represents an ambitious macro-level aspiration extending beyond the scope of any single programme phase, the initial cycle delivered definitive, early indications of movement in this direction. The programme's independent final evaluation confirms that agroforestry systems have yielded verifiable ecological benefits, manifested through enhanced soil health.

**Farmers applying GAPs**
**21 % -> 91 %**

Environmental themes were cross-cutting across almost the entire portfolio, given that the vast majority of projects interface directly with agricultural supply chains highly exposed to climate shocks. Ecological sustainability was most comprehensively executed via the East African coffee projects, the Sankofa 2.0 cocoa project in Ghana, and the vanilla resilience project in Madagascar. Mirroring the social and economic dynamics detailed in previous chapters, effective climate mitigation requires the synchronized effort of actors across the entire value chain. The programme operationalized this by equipping primary producers to adopt regenerative agricultural practices, engaging corporate buyers to execute binding environmental commitments, and leveraging development communications to raise awareness among Finnish companies and consumers regarding the ecological footprint of their purchasing choices. This integrated work drove progress toward one central, long-term outcome objective: ensuring that actors across global value chains actively mitigate climate change and protect nature.

## LONG-TERM OUTCOME: ACTORS IN VALUE CHAINS MITIGATE CLIMATE CHANGE AND PROTECT NATURE



Progress toward this long-term outcome objective was exceptionally robust across multiple core indicators by the conclusion of the programme period. The total number of tree seedlings planted reached over 120,000—shattering the original target of 27,000 by a wide margin. This dramatic over-performance was driven by accelerated, late-stage agroforestry pushes across the Kenyan coffee, Kenyan floriculture, Madagascar vanilla, and Ghanaian cocoa (Sankofa 2.0) projects. Success was systematically underpinned by expanding the localized availability of diverse species through established, cooperative-run tree nurseries, fortifying commercial supplier linkages, and deliberately aligning project schedules with statutory government tree-planting campaigns. Re-establishing dense tree coverage represents a critical, permanent asset upgrade that restores soil structural health, sequesters carbon, and establishes favourable microclimates that regulate local water cycles. Consequently, total land area successfully transitioned under reforestation or afforestation models exceeded 700 hectares, with the agroforestry-focused Sankofa 2.0 project in Ghana accounting for the premier share at 569 hectares.

Concurrently, the share of smallholders systematically applying GAPs and environmentally sustainable production techniques grew exponentially, rising from a baseline of 21% to 91% across a sample of six projects, significantly outpacing the 60% target. This major shift directly reflects the programme's intensive field-level investments in agroforestry training, integrated pest management, the reduction of synthetic agrochemical inputs, and the promotion of biological alternatives. The powerful uptake of GAPs underscores that smallholders recognize the immediate, practical value of these practices in buffering their farms against climate-induced weather anomalies and crop diseases. Within the Kenyan coffee project's final evaluation, 69% of surveyed farmers stated they would definitely maintain the improved regenerative farming techniques independently—a clear indicator that permanent behavioural and ecological change has taken root beyond the project's funding timeline.

In contrast to individual farm-level progress, the number of formal POs that independently invested their own capital into large-scale **ecological efficiency upgrades**—such as centralized industrial water management systems or cooperative-led agroforestry schemes—reached 21 by project closure, falling short of the ambitious target of 36. This variance reflects a stark operational reality: many agricultural cooperatives continue to face intense liquidity constraints and immediate pressure to prioritize direct cash payments to smallholders during inflationary periods, limiting their capacity to finance long-term, collective capital expenditures. The programme actively worked to alleviate this bottleneck by building alternative, household-level income-generating activities to ease cooperative strain.

Conversely, **clean and sustainable energy access** delivered outstanding results, with the number of individuals gaining direct access climbing to 11,811, surpassing the target of 9,150. Driven by integrated clean cooking and solar energy projects across Ethiopia, Kenya, and Malawi, these technologies were selected via extensive rightsholder consultations and achieved rapid popularity. While project teams consistently emphasized the macro-ecological importance of clean energy, evaluations revealed that rightsholders highly valued the immediate economic and practical benefits, specifically the direct household cost savings from reduced fuel purchasing and the dramatic drop in indoor smoke and toxic fumes.

In Ghana, the Sankofa 2.0 project drove critical innovations in **Dynamic Agroforestry (DAF)**, a highly advanced methodology that integrates diverse food crops, timber trees, and biomass species directly into the cocoa canopy to restore soil fertility, optimize biodiversity, and maximize carbon storage without relying on harmful synthetic chemicals. The project operated as a pioneering multi-stakeholder showcase, generating systemic impacts that extended far beyond the immediate target group. Notably, Ghana's statutory national cocoa regulator, COCOBOD, has taken an active institutional interest in the DAF model and is currently conducting parallel agronomic research to evaluate the methodology for wider national policy integration. Throughout the cycle, severe climate volatility and intense pest pressures—particularly the devastating Cacao Swollen Shoot Virus Disease—presented profound disruptions to the West African cocoa sector. Because DAF matrices are inherently more biologically resilient to these shocks than traditional monoculture systems, their long-term sustainability was further secured by embedding DAF training protocols directly into cooperative extension structures and forging close research alliances with the Cocoa Research Institute of Ghana.



*"The Sankofa 2.0 project's training on banana multiplication opened my eyes. I realised I could start something on my own. I began my nursery business in 2024, producing and selling plantain and cocoa seedlings for agroforestry purposes to the project and farmers in the community. Later I expanded to different fruit trees, timber species, coconut and palm nut seedlings. I never imagined to be a businesswoman, but here I am, running a nursery and supporting my household."*

Regina Kesewaa, Nursery Operator in Mim, Ghana, Sankofa 2.0 project

Regarding carbon markets, the strategic target of establishing operational carbon framework infrastructures was successfully met within the coffee projects in Ethiopia and Kenya. Three prominent SPOs successfully engaged in formal carbon credit certification tracks, backed by extensive localized fuel-saving cookstove utilization. However, the international Gold Standard certification process proved significantly more administratively and technically complex than originally anticipated. While registration and auditing protocols were pushed close to finalization by the end of the programme period, the formal issuance and commercial sale of carbon credits had not yet commenced. Nonetheless, the immediate ecological proxy goals were fully realized on the ground, as the thousands of operational improved cookstoves dramatically reduced community reliance on wood and charcoal, significantly easing extraction pressure on vulnerable local forests.

Finally, the programme achieved valuable success in engaging downstream private sector actors in proactive climate and environmental stewardship. While only a select group of partner companies was directly integrated—an outcome anticipated

given the specialized, high-integrity scale of the interventions—their formalized commitment to mapping, reducing, and offsetting emissions, alongside investing in direct biodiversity conservation within their commercial value chains, carries significance far beyond their individual actions. By visibly embedding these rigorous regenerative practices into their sourcing models, these flagship partner companies have created meaningful, competitive spillover effects across their respective sectors, forcing peers and competitors to recognize both the profound reputational advantage and the long-term commercial business case for accelerating corporate environmental responsibility.

## 2.4. Cross-cutting focus areas

The DONUTS programme is structurally guided by the foundational principle of **Leave No One Behind**, explicitly recognizing that the most marginalized and vulnerable demographics are inherently the hardest to reach within global value chains. Throughout the initial phase, proactive and systematic efforts were executed to map, identify, and integrate those at acute risk of institutional exclusion. These target cohorts included women confronting deep systemic barriers to economic participation, landless youth with restricted market opportunities, Persons with Disabilities (PWDs), tenant farmers, and sharecroppers.

Consequently, the cross-cutting objectives of **gender equity, youth empowerment, and vulnerable group inclusion** were fully embedded from design through implementation and closure, demanding a strategic combination of mainstreamed programming and targeted, protective measures. The independent final evaluation explicitly affirmed that the programme successfully reached marginalized sub-populations that would have remained entirely unreachable through standard processes.

In practice, **climate and environmental protection** were also considered as cross-cutting objectives. While the ecological sustainability component's results are discussed in chapter 2.3, environmental thinking extended beyond projects directly targeting ecological themes — fundamentally informing project design matrices, organizational risk management protocols, and daily operational practices across all programme activities.

### Gender equality

Gender dynamics were actively addressed across all projects within the portfolio, yielding varied results that closely mirrored localized structural contexts. The most consistent and measurable progress was achieved within HLO settings—specifically across target floriculture and viticulture plantations—where women constitute a prominent share of the primary workforce. In these employment contexts, direct structural upgrades to workplace safety, confidential grievance mechanisms, and CBAs benefited female workers directly and immediately. Concurrently, the programme successfully elevated institutional awareness regarding gender-sensitive vulnerabilities and systematically expanded women's representation within formal workers' committees and labour leadership structures.

Conversely, progress advanced more unevenly within smallholder farming cooperative settings. Deeply entrenched structural barriers — including traditional patrilineal land ownership norms, restrictive cooperative registration procedures, rigid domestic roles, and heavy unpaid household responsibilities — continued to constrain women's full, active participation, particularly within the West African cocoa sector. Where direct integration into formal PO governance encountered severe cultural inertia, projects successfully pivoted to reach women via targeted parallel pathways. These included specialized VSLAs, dedicated agroforestry food-crop plots, and clean cooking technology distributions. While these tailored interventions generated profound and immediate socio-economic benefits for women, the final evaluation notes that women remained underrepresented within executive cooperative leadership across the broader portfolio. Consequently, the institutionalization of a more aggressively gender-transformative methodology has been established as a core mandate for the 2026–2029 phase.

Definitive, positive results were nonetheless realized across multiple distinct projects. In Bolivia, the share of female SPO members who felt their opinions were respected in their farming organization rose from 27% to 67% against a target of 65%. In Ethiopia, the coffee framework achieved an outstanding milestone by ensuring that a clear majority (59%) of its direct rightsholders were women, demonstrating that intensive field advocacy and dedicated inclusion support can drive structural progress even within highly traditional agrarian settings Taken as a consolidated average across the entire multi-country programme, women made up approximately 48% of direct rightsholders.

### Youth

Strategic youth engagement generated highly successful outcomes across the programme portfolio. Young people were proactively targeted through intensive technical training tracks encompassing agroforestry, financial and business management, clean-cookstove manufacturing, and alternative income-generating services. In Ghana, rural youth cohorts were organized into certified, self-governing service enterprises or "pruning gangs," offering specialized, mechanized agricultural services directly to local cocoa farmers. This structural innovation generated independent, reliable incomes for landless youth while significantly accelerating the community-wide adoption of sustainable agroforestry practices. In East Africa, youth cohorts were similarly positioned as clean energy entrepreneurs, driving the production and local commercialization of fuel-saving stoves within coffee-growing regions.

By programme conclusion, approximately 12% of direct rightsholders were young people, reflecting the success of the programme's active outreach. The number of POs with formalized youth inclusion measures in place climbed from a baseline of zero to 38 by the end of the programme period, while the share of youth executing roles within formal PO management grew from 8% to a powerful 25%.

Nonetheless, critical areas for long-term institutional refinement persist. Youth remain underrepresented within top-tier governing bodies and executive boards across multiple cooperatives, and even where youth participation rates are numerically high, this nominal presence has not always translated into genuine executive decision-making power. The structural sustainability of youth-led micro-enterprises also requires vigilant monitoring, particularly regarding the degree to which young

cohorts trained in cookstove manufacturing can maintain secure market access and business development networks once direct project subsidies conclude. Finally, conflicting definitions of "youth" across different operation regions (the strict UN defining youth as 15–24 years versus regional statutes extending up to 35 years) complicated the harmonized tracking of results, despite programme management issuing unified disaggregation guidance.

### Vulnerable groups

The operationalization of the Leave No One Behind principle was executed most concretely through the systematic protection and active inclusion of highly vulnerable groups. Across the programme as a whole, 1,400 PWDs were successfully reached as direct rightsholders, shattering the original target of 580 PWDs. Within the Ethiopian floriculture sector, human rights and disability inclusion protocols were seamlessly integrated into all workers' rights training modules, reaching plantation executives, national trade unions, and grassroots labourers alike. Crucially, vulnerable demographics were formally institutionalized into trade union agendas and Fairtrade Premium budget allocations. PWD workers received specialized, custom-tailored assistive devices, which directly enhanced their operational autonomy, workplace performance, and overall quality of life. Parallelly, within Ethiopia's coffee initiatives, PWD smallholders were prioritized in the distribution of energy-efficient cookstoves, and technical agricultural trainings were deliberately relocated to demonstration plots directly adjacent to their farms to ensure physical accessibility. These extensive, pioneering breakthroughs have been formally recognized as an industry-wide best practice within the global Fairtrade network.

Across the programme as a whole, the number of POs operating with formalized disability inclusion analyses, targeted action plans, or active inclusion tracks grew from a baseline of 9 to 39 by project closure. Simultaneously, the share of PWD rightsholders who report that their primary organization operates in a demonstrably inclusive and democratic manner rose from 58% in 2023 to 73% by the conclusion of the cycle.

Despite these landmark successes, engaging PWD rightsholders presented intense operational challenges outside of the primary East African (Ethiopia and Kenya) clusters. Embedding disability inclusion within smallholder farming frameworks is inherently complex, given the severe physical strains of manual cultivation and persistent social stigmas that frequently deter vulnerable individuals from self-identifying. Looking ahead, the programme has formalized a clear need to deliver more structured, sustained financial support for vulnerable sub-populations. This includes mandating that inclusion budgets are permanently institutionalized within POs' internal capital allocations to fully safeguard these socio-economic gains beyond the programme's funding horizon.

Concurrently, specialized projects actively advanced the legal and economic rights of tenant farmers and sharecroppers, successfully insulating vulnerable adult workers from forced labour and economic exploitation within the West African cocoa belt. For example, over 300 vulnerable cocoa sharecroppers in Ghana successfully secured formal, legally binding written tenancy agreements with traditional landowners, securely protecting their land-tenure rights, locking in fair profit-sharing ratios, and embedding decent work guarantees into the local agricultural economy.

### Climate and environment

Environmental and climate risk mitigation considerations were comprehensively integrated across both macro-programme management and localized field interventions. At the daily operational level, the programme deployed rigorous measures to minimize its own carbon and environmental footprint. Operational teams actively promoted digital and virtual materials across all training modules to significantly reduce printing waste, strictly limited travel-related emissions through the planning of synchronized field visits, maximized the deployment of virtual sessions, and selectively partnered with environmentally certified accommodations and logistics providers. Furthermore, environmental and climate literacy was systematically woven into core training curricula even when the primary module focuses targeted social or economic themes.

## 2.5. Advocacy and development communications

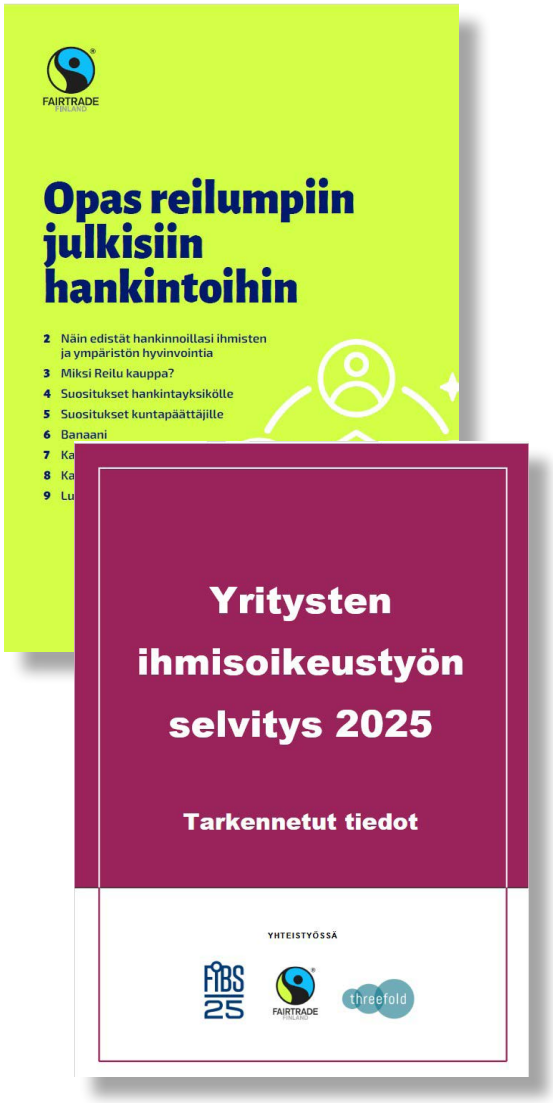
Our communication and advocacy work are closely intertwined, supporting all three of the programme's sustainability areas. Our advocacy work and development communication target the following groups to spread awareness of sustainability themes and to influence consumers, decision-makers and other members of civil society: sustainability seeking consumers, active citizens, corporate decision-makers, politicians and civil servants working on corporate responsibility issues, and media.

### 2.5.1 Advocacy

The programme's advocacy is integral part of the ToC pushing political and business leaders to take bold steps in advancing **respect for human rights and the environment in global value chains.** By targeting decision-makers, the private sector, and Finnish consumers, the programme established itself as a premier expert on human rights and environmental responsibility in global supply chains, actively sought after by authorities and policymakers.

A landmark achievement was our direct influence on the transposition of the Corporate Sustainability Due Diligence Directive (CSDDD) into Finnish law as a member of the preparatory working group convened by the Ministry of Economic Affairs and Employment (TEM), where the historic legislation we had advocated for over nearly ten years was finalised in 2026. This legislation introduces a historic mandatory due diligence obligation for companies to address value chain impacts. Crucially, Fairtrade's targeted advocacy secured the explicit inclusion of an adequate living income for smallholders and self-employed workers within the final text — a systemic shift that protects primary producers at the very beginning of the supply chain.

*"The right to enjoy just and favourable conditions of work, including a fair wage and an adequate living wage for employed workers and an adequate living income for self-employed workers and smallholders, which they earn in return from their work and production, a decent living, safe and healthy working conditions and reasonable limitation of working hours, interpreted in line with Article 7 and 11 of the International Covenant on Economic, Social and Cultural Rights" (CSDDD Annex I:7)*







This evolving regulatory landscape has demonstrably accelerated corporate maturity. Companies are increasingly moving beyond basic certification to seek advanced, structural solutions. Partnering with major industry players like SOK and Meira, the programme co-designed concrete frameworks for meaningful rightsholder engagement in coffee and other high-risk supply chains.

As a partner of FIBS, the Finnish Business & Society network, we did a study examining the state of corporate human rights work in Finland. While the findings revealed that only two percent of surveyed companies currently remedy adverse impacts at the raw-material level—underscoring a critical gap in addressing poverty and child labour—the data has provided a vital baseline to direct future corporate action where it is most urgently needed.

Our strategic partnership with FIBS also transformed industry capacity, training hundreds of corporate professionals annually across diverse sectors. According to FIBS experts, this engagement successfully elevated the national business discourse on living wages and practical due diligence to an unprecedented level. Major market actors—including Kesko, Lidl, Tokmanni, Valio, and Finnfund—actively co-delivered these platforms to share best practices and pursue joint actions. This systemic shift is further reflected in public procurement, where collaboration with Hansel and Motiva successfully integrated sustainable procurement practices and robust market dialogues into the food and textile sectors.

### 2.5.2. Development communications

Development communications directly reinforced the programme's advocacy priorities—specifically living income, deforestation, and child labour—by converting complex sustainability themes into high-impact public and corporate messaging Over the four-year cycle, these activities successfully drove long-term public awareness by capitalizing on mainstream broadcast media coverage to capture public attention. In 2023, the programme demonstrated profound agility when the major YLE reality television series Verta, hikeä ja luksusta (Blood, sweat and luxury) brought West African cocoa challenges into Finnish living rooms; the team rapidly deployed targeted digital and campaign content to meet the sudden surge in public information demand. This was paired with another landmark media breakthrough, where a YLE correspondent's specialized feature on the programme's participating flower farms in Kenya became documented as the correspondent's most viewed and engaging reporting for the Finnish public during their entire African deployment.

Building on this multi-year momentum, the 2025 cocoa campaign targeted consumer awareness of child labour in West African supply chains, achieving an unprecedented total reach of 4.1 million people. This included 2.7 million via prominent media coverage—encompassing national television news, a

nationwide morning show, a leading public affairs podcast, and a joint op-ed with UNICEF Finland in the country's largest daily newspaper. Influencer collaborations generated a further 987,000 impressions, while partner organisations contributed 200 collaborative social media posts, resulting in a 93 percent increase in website traffic. The campaign's impact was also reflected in public awareness: a follow-up survey conducted in January 2026 showed that the share of Finns unaware of child labour in chocolate production had decreased from 32 percent to 24 percent.

Beyond public campaigns, communications systematically built industry capacity and strengthened Fairtrade's thought leadership. The programme introduced a targeted risk-assessment toolkit for the hotel, restaurant, and café (HoReCa) sector, equipping businesses to navigate human rights and environmental vulnerabilities across key commodities like coffee, tea, wine, sugar, and cocoa. To bridge critical knowledge gaps identified in a consumer survey by Verian—which highlighted that many Finns remain unaware of major value chain risks—the programme scaled up both high-level expert content and accessible consumer messaging on living incomes and child labour.

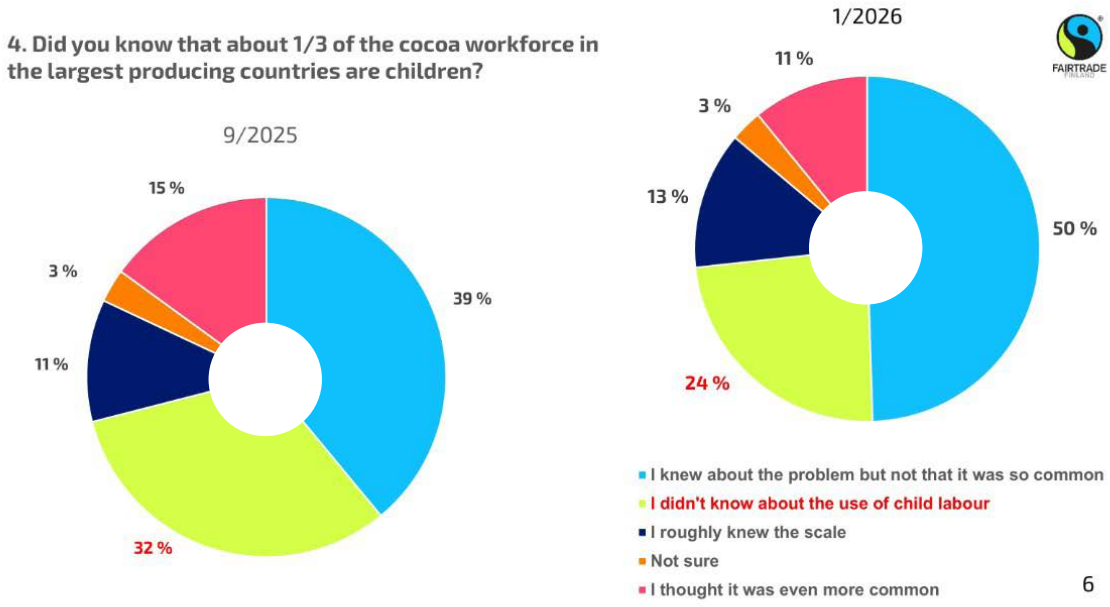
The programme also demonstrated strong resilience in a volatile digital landscape. When Meta banned social and political advertising across the EU in autumn 2025, the communications team successfully pivoted, expanding organic influencer partnerships to sustain high engagement levels on critical supply chain risks. Simultaneously, strategic communication frameworks prepared the market for the 2026 implementation of the EU's Empowering Consumers for the Green Transition (EmpCo) Directive. Despite the strategic removal of Twitter from the channel portfolio, total social media followers grew to 59,700, proving the sustained relevance and reach of the programme's expert content.

When evaluating these reach metrics against long-term behavioural change, however, the communication indicators utilized to evaluate changes in consumer demand—specifically the Net Recommendation Index, the proportion of consumers recommending Fairtrade products, and purchasing frequency—yielded mixed results during the programme period. While targets for active peer-to-peer recommendations were successfully met, showing positive upward development, this increased verbal support did not translate into a corresponding improvement in actual purchasing behaviour.

This stark decoupling between consumer values and retail actions directly reflects the exceptionally challenging geopolitical and economic headwinds that compressed the purchasing power of ordinary Finnish consumers during this cycle. High inflation, escalating interest rates, and employment anxieties forced households to prioritize immediate cost over sustainability preferences. Thus, while the programme's communication campaigns successfully elevated public awareness and inspired citizens to actively champion ethical trade within their social networks, external financial constraints suppressed their practical capacity to act on those values at the cash register.

These dynamics also revealed critical structural limitations in the design of the initial results framework. Because purchasing decisions and broad brand recommendations are heavily mediated by external variables entirely outside the scope of public campaigns—such as fluctuating retail prices, household financial strain, individual taste preferences, and shelf availability—they fail to serve as a clean, direct proxy for communication outcomes. They do not isolate the specific technical contribution of development communications from macro-market disruptions.

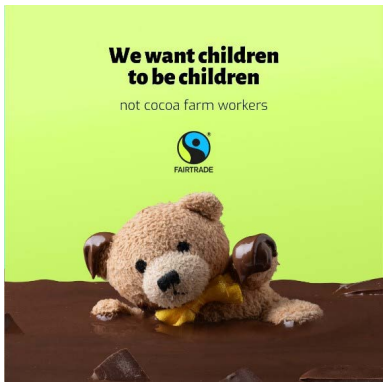
To integrate these vital lessons, the indicator framework was thoroughly updated for the 2026–2029 programme phase to shift away from macro-market tracking and focus explicitly on measurable changes in public awareness and self-reported civic action.












## 2.6. Localization, ownership and sustainability

**Localization and ownership are foundational core values embedded across the DONUTS programme and the global Fairtrade system**. This structural commitment is operationalized transparently at the highest level of governance, such as the Fairtrade General Assembly, where primary producers hold 50% of the voting power. Another vital mechanism for localized self-determination is the strategic allocation of the Fairtrade Premium, over which producers retain exclusive expenditure authority.

Throughout its initial phase, the DONUTS framework partnered directly with grassroots organizations representing local rightsholders, including agricultural cooperatives, smallholder associations, trade unions, and targeted youth and women's groups. The programme's inclusive philosophy drove people-centred development, positioning target populations as active agents of change who directly steered decision-making and operational implementation. During the initial **programme planning stages**, farmers and agricultural workers explicitly defined their own systemic challenges, priority needs, stakeholder maps, and project objectives. Rightsholders were also consulted annually through localized **review workshops** to evaluate progress and impacts, ensuring that field implementation could be dynamically adapted to changing environmental and socio-political realities.

To guarantee that project execution remained highly targeted and relevant, the majority of project **steering committees integrated local PO-members** alongside international Fairtrade personnel and commercial co-investors. By bridge-building between diverse rightsholder groups and public duty-bearers, the programme cultivated deep local ownership of project goals and fundamentally reinforced the durability of results. The programme's independent final evaluation explicitly confirms that rightsholders and duty-bearers were sufficiently and meaningfully involved in defining priorities and steering projects throughout the cycle, identifying this deep localization as a premier driver behind the programme's overall success.

In the most advanced iterations of localization, POs seamlessly assumed **direct implementation responsibilities**. For example, in Ghana, the Kuapa Kokoo Farmers Union (KKFU) executed a central implementing role across both the KKCL-MRS and Sankofa 2.0 initiatives. This included embedding a KKFU employee as the dedicated Project Officer for the child labour monitoring system, building long-term project management capacity directly within the cooperative's internal staff. In the Sankofa 2.0 agroforestry initiative, KKFU further demonstrated its commitment to long-term ownership by self-funding 20% of the local agroforestry field officers' operational costs, laying a firm institutional foundation for financial sustainability beyond the programme's funding horizon.

The programme's explicit **alignment with national development plans and strategies** further reinforced its long-term relevance and sustainability across partner countries. Projects were intentionally engineered to complement host-government policy objectives, frequently resulting in active collaboration with state initiatives In Ghana, community by-laws and localized action plans on child protection were formally presented to municipal and district assemblies for integration into long-term public planning. This directly mirrored Ghana's Medium-Term National Development Policy Framework 2022–2025, which codifies child protection from violence, youth participation in public development, and equal opportunities for PWDs as binding national goals.

In Ethiopia, the programme's focus on regenerative, climate-smart agriculture and multi-strata agroforestry directly advanced Ethiopia's Ten-Year Development Plan (2021–2030), which targets complex social and environmental challenges through sustainable development and climate-resilient green growth. Similarly, in Kenya, the programme's systematic support for smallholder productivity, youth employment pipelines, and clean energy entrepreneurship directly underpinned the priorities of Kenya Vision 2030, which identifies the agricultural economy as a primary driver of macro-economic growth and mandates sustainable livelihoods for vulnerable groups.

To maximize institutional **sustainability**, projects focused intensively on reinforcing existing local architectures and pre-existing organizations rather than establishing duplicative structures. This approach significantly increases the probability that project-derived results will endure permanently beyond the funding period. For example, the formal grievance mechanisms, joint worker-management forums, and the sectoral Agricultural Bargaining Council established within the South African viticulture project operate with strong community legitimacy and are positioned to remain permanently in place.

Simultaneously, the active co-investment of commercial partners provides an additional layer of commercial sustainability, as it aligns with their corporate interests to maintain, monitor, and replicate these compliance methodologies within their global supply chains post-exit. On the ecological front, sustainability indices remain exceptionally strong: project evaluations confirm that a vast majority of participating smallholders exp-

licitly intend to continue utilizing the regenerative agroforestry and climate-smart farming techniques learned during the programme due to immediate soil and yield benefits.

Conversely, absolute **financial sustainability** remains one of the programme's most persistent constraints. While local POs demonstrated exemplary commitment and institutional ownership, restricted access to rural capital markets can challenge continued system investments after direct project exit. The programme actively devised creative, localized solutions to mitigate this fiscal bottleneck. In the Kenyan floriculture sector, for instance, a highly successful revolving fund enabled plantation workers to access clean cooking technologies upfront and clear the asset cost via structured salary deductions; local stakeholders have formalized commitments to maintain this self-sustaining credit fund independently. Broadly, critical lessons learned point to the absolute necessity of embedding systematic, long-term financial sustainability planning into the earliest stages of project design, a parameters framework that has been established as an uncompromised priority for the 2026–2029 phase.

Finally, Producer Networks—most notably Fairtrade Africa (FTA)—played a vital role throughout the cycle, delivering technical backstopping to field teams and ensuring rigorous progress monitoring. The core strategic **partnership between Fairtrade Finland and FTA** matured substantially over the four-year period, evolving into a transparent, solution-oriented, and mutually accountable alliance. This institutional development triggered rapid practical upgrades: progress reporting became significantly more analytical, data matrices were delivered in a timelier fashion, and a healthy culture of open, two-way institutional feedback became deeply rooted between the teams. A definitive lesson carried forward is the vital importance of proactive expectation management—specifically securing legally clear, upfront agreements regarding project objectives, operational roles, administrative rules, and financial compliance requirements with all cross-continental partners at the very inception of the collaboration.

## 2.7. Other: DONUTS support for Finland's country programmes

The DONUTS programme systematically complemented Finland's bilateral country programmes in Ethiopia and Kenya, while driving broader Finnish development priorities across non-bilateral partner countries. By anchoring interventions in climate action, decent work, and gender equality, DONUTS served as a practical catalyst for Finland's macro-level development objectives.

In Ethiopia, where Finland's country framework transitions toward societal resilience and rural economic development, the DONUTS 2022–2025 cycle delivered tangible parallel advancements. Through specialized coffee project focused on climate-smart agriculture and flower project targeting workers' rights, the programme directly advanced Finnish priorities in natural resource management and gender equality. Notably, DONUTS interventions achieved standout results in fostering the social and economic rights of PWDs within local supply chains, structurally reinforcing Finland's long-term commitment to inclusive human rights.

Similarly in Kenya, Finland's bilateral country programme's 2021-2024 key objectives included improving the position of women in society and promoting youth employment. DONUTS projects contributed to these shared priorities in several ways — the programme's coffee initiatives built measurable climate resilience, while youth groups generated independent incomes through clean-energy entrepreneurship, specifically the manufacturing and installation of energy-saving stoves. In the floriculture sector, DONUTS successfully transitioned workers toward clean energy utilization and established youth-led tree nurseries, providing immediate decent work while securing local environmental benefits.

In Ghana, Côte d'Ivoire, and Madagascar—countries lacking formal bilateral frameworks—the DONUTS cocoa and vanilla projects provided Finland with a critical, high-impact footprint. Activities directly mirrored and amplified the thematic goals of the parallel 2019–2024 International Labour Organisation (ILO) project funded by Finland, creating a unified approach to combating child labour, promoting labour rights, and establishing responsible business practices. Furthermore, across all operation countries, the DONUTS co-funding model successfully forged strategic linkages between POs and private sector donors. This match-funding mechanism significantly strengthened local organizational capacity, effectively multiplying the reach and sustainability of Finland's overarching efforts to alleviate rural poverty. The programme systematically modernized its internal architectures over the four-year cycle, prioritizing institutional capacity building across all management tiers, refining monitoring, evaluation, and learning (MEL) systems, and embedding rigorous risk management frameworks. Transparency and accountability were operationalized by expanding rightsholder agency within project cycles, cultivating open, mutually accountable communication with Fairtrade Africa and key international partners, and maintaining radical transparency with external stakeholders.



Lucy Twenewaa, cocoa farmer, with her daughter Abigail Nyarko sun-dry cocoa beans on their compound in Abofrem, Western North Region-Ghana @Fairtrade/Max Havelaar/Francis Kokoroko

# 3 Process development

The programme systematically modernized its internal architectures over the four-year cycle, prioritizing institutional capacity building across all management tiers, refining monitoring, evaluation, and learning (MEL) systems, and embedding rigorous risk management frameworks. Transparency and accountability were operationalized by expanding rightsholder agency within project cycles, cultivating open, mutually accountable communication with Fairtrade Africa and key international partners, and maintaining radical transparency with external stakeholders.

## 3.1. Capacity building for programme management

Strengthening the technical and managerial capacity of implementing partners was an ongoing, foundational priority during the initial phase, explicitly designed to secure local ownership of project outcomes. This capacity development operated symmetrically across a spectrum of interventions, ranging from structured, system-wide annual gatherings to continuous, day-to-day strategic sparring between teams.

A cornerstone of this effort was the a**nnual physical programme workshop** held in Kenya, bringing together the whole DONUTS programme team — from field-based project managers to the Nairobi management team and Fairtrade Finland colleagues — as well as key partner NFOs from UK, Switzerland and Germany. Guided by FTA's internal gap analyses, these workshops delivered targeted advancements in results-based management (RBM), risk mitigation, and the operationalization of cross-cutting objectives. While these sessions catalysed vital cross-project learning, the final evaluation noted that opportunities for systematic horizontal knowledge transfers were not always fully maximized. Moving into the 2026–2029 cycle, a more structured repository for capturing and scaling internal insights is being institutionalized.

These physical interventions were reinforced by **annual virtual webinars,** which provided a forum for regional project managers to review high-level programme results and cross-pollinate success models. Furthermore, network-wide webinars positioned DONUTS as a definitive flagship model within the broader global Fairtrade system, exporting the programme's unique public-private methodology to international teams.

At the governance level, **project-level steering committees** met at least quarterly to evaluate progress, map emerging risks, and provide agile strategic guidance. These committees served as a dual learning mechanism: they accelerated the technical capacity of field-based personnel through collaborative problem-solving while providing European partners with nuanced, reality-tested insights into local execution landscapes. The final evaluation observed that FTA's human resources were occasionally stretched across multiple complex geographies; safeguarding optimal staffing levels and field support has consequently been established as a core administrative pillar for the second phase.

**Project reporting** mechanisms were also successfully transformed into a tool for capacity development. Project staff received feedback on quarterly and annual reports from FTA Nairobi colleagues, the Fairtrade Finland team and, in some cases, other NFOs and commercial partners — with the aim of improving both implementation and reporting over time. Beyond these formal structures, informal communication, sparring and mutual learning between Fairtrade Finland, Nairobi and field-based FTA teams took place on an ongoing basis. FTA also organised several internal trainings for its staff and local partner organisations on topics such as financial management and reporting.

A critical area designated for structural reinforcement is project-level MEL capacity. The final evaluation identified that technical MEL expertise was unevenly distributed across field teams, occasionally resulting in MEL processes being executed in isolation from day-to-day project management. The programme's MEL system and key lessons from the first phase are discussed in more detail in the following chapter.

## 3.2 Monitoring, evaluation and learning (MEL)

Each project within the DONUTS portfolio maintained a dedicated results matrix and monitoring plan, designed to feed seamlessly into the overarching programme-level results framework. These localized matrices combined core DONUTS programme indicators with project-specific variables, achieving a dual structure that secured comprehensive data collection while preserving necessary flexibility on the ground. The FTA MEL Manager (DONUTS), supported by Fairtrade Finland, coordinated the consolidated MEL architecture and provided technical guidance to field personnel on data gathering and reporting methodologies. At the global network level, joint participation in Fairtrade International's MEL Task Force ensured total alignment with system-wide best practices.

At the programme level, the **annual physical workshops** and virtual webinars served as primary mechanisms for collaborative evaluation and the refinement of results-based management. At the project level, localized **annual review workshops** functioned as central learning forums. Convened at the end of each operational year across all projects, these participatory reviews united rightsholders, duty-bearers, and project implementers to critically analyse achievements, evaluate structural bottlenecks, and deliberate on cross-cutting themes such as environmental sustainability and child rights. This highly participatory model successfully deepened local accountability and community ownership over project outcomes.

Technical MEL capacity and field execution **advanced significantly over the four-year cycle**. Field-level data collection became substantially more systematic, and progress reporting from project teams transitioned toward a more rigorous, analytical, and results-focused narrative. Notably, multiple project coordinators independently adopted KoboToolbox for digital data collection, visualization, and real-time analysis—a concrete operational advancement that significantly upgraded data quality, validity, and timeliness.

Despite these clear advancements, the initial phase highlighted

critical areas for structural refinement. The initial results frameworks—at both the micro-project and macro-programme levels—contained an excessively high volume of indicators, outcomes, and outputs, which placed heavy administrative demands on available monitoring resources. A foundational lesson from this cycle is the absolute necessity of allocating dedicated, uncompromised timelines for thorough data collection and field analysis, which was occasionally impeded by competing implementation deadlines. Furthermore, the standardization of results-based analytical thinking, adaptive management, and horizontal cross-project learning varied across geographies, making the consolidation of project data into a unified programme narrative logistically complex.

To address these insights, the programme has identified clear strategic directives for its next phase: **simplifying results frameworks** to focus on fewer, highly strategic indicators; **intensifying localized MEL capacity building**; and institutionalizing a structured approach to **cross-project knowledge management.** Demonstrating this proactive adaptation, a newly organized, joint MEL task force comprising technical experts from across Fairtrade Africa and Fairtrade Finland has been formally established to anchor and support the 2026–2029 DONUTS cycle.

## 3.3. Risks and their management

The DONUTS programme maintained a comprehensive risk management infrastructure throughout its first phase, with vulnerabilities identified, monitored, and mitigated at both the project and programme level. Each project executed a tailored risk management plan, updated at least annually, with risk profiles undergoing regular review within project steering committees. While the full risk matrix is annexed to this report, this chapter isolates the most significant risks that materialized during the implementation period and evaluates the critical factors governing the long-term sustainability of achieved results.

### Risks that materialised during the programme period

**Climate and environmental hazards** represented the highest-rated vulnerabilities within the programme's risk matrix and materialized extensively across all four years. Project countries experienced severe weather disruptions, including prolonged droughts, torrential rainfall leading to flooding, and recurrent cyclone damage in Madagascar that inflicted significant losses on vanilla harvests and local infrastructure. Concurrently, crop diseases, particularly the Cacao Swollen Shoot Virus (CSSV) in West Africa, caused notable yield reductions and diverted staff time from core activities. Affected projects responded dynamically through a suite of climate-smart interventions, including widespread agroforestry adoption, the introduction of climate-resilient crop varieties, localized crop insurance frameworks, household income diversification, and disaster risk reduction planning. While these shocks triggered operational delays, the programme's deep emphasis on ecological resilience proved its systemic value and ultimately strengthened rightsholder buy-in.

The **socio-political environment and civic space deteriorated** markedly in several partner countries. In Ethiopia, armed conflict and heightened state enforcement worsened the regional security situation and restricted civic space; while projects were not located within active combat zones, localized security threats such as kidnappings intermittently restricted field travel, though broader implementation advanced as scheduled. In 2024, Kenya experienced large-scale, youth-led protests against government reforms that met with heavy state enforcement, disrupting in-person operations and requiring an immediate pivot to virtual and hybrid modalities. The constrained civic environment in Kenya also injected caution into flower-sector workers and union representatives regarding open expression, which altered the dynamics of human rights and environmental due diligence (HREDD) dialogues. Heightened concerns over potential retaliation for raising rights-related grievances required the project to invest significantly more resources than anticipated in pre-dialogue preparation and secure facilitation protocols. Similarly, Madagascar faced widespread civil unrest and a late-2025 military coup, while national elections in other countries caused temporary project pauses to safeguard personnel. Across all contexts, local teams demonstrated exceptional adaptive capacity, ensuring overall results were not fundamentally compromised.

**Macroeconomic instability**, characterized by high inflation and intense currency fluctuations, presented continuous operational challenges, with Ghana and Ethiopia the most severely impacted. Ethiopia's 2024 devaluation of the birr introduced severe budgetary uncertainty. Additionally, stringent international anti-money laundering regulations created fund-transfer bottlenecks to Latin American partners in 2022–2023, temporarily delaying activities in Bolivia and Honduras until new contractual structures resolved the issue. Project teams managed these fiscal pressures smoothly through proactive budget revisions and scenario-based contingency planning.

**Diverging interests and strategic expectations** among programme partners required continuous mediation, particularly regarding private sector co-investors whose commercial strategies can shift away from development objectives. The most prominent instance occurred within the LEAP project in Côte d'Ivoire, where the commercial partner, Mars, altered its global strategy in 2024 and proposed a fundamental restructuring of the project's scope. Through constructive negotiations, a compromise was reached that allowed the project to proceed with a streamlined scope under DONUTS funding, though LEAP was intentionally excluded from the subsequent 2026–2029 phase. Minor alignment tensions occurred in other projects, underscoring the absolute necessity of rigorous, upfront expectation management with corporate partners.

**Internal operational risks** also partially materialized. Personnel turnover across Fairtrade Finland, Fairtrade Africa, and partner organizations caused localized disruptions, information gaps, and implementation delays. Most notably, staff transitions within the Sankofa 2.0 project in 2023 led to internal misunderstandings regarding funding compliance conditions, which required intensive stakeholder management to fully resolve in 2024. Gaps in technical MEL capacity also posed challenges for data analysis and results consolidation, prompting FTA to heavily invest in upgraded MEL resources for the upcoming cycle.

In East Africa, a major technical risk emerged regarding the

**limited expertise** of field staff in coffee projects slated for carbon credit commercialization. Although numerous smallholders in Kenya and Ethiopia successfully adopted fuel-saving cookstoves and generated verified credits, no carbon sales were finalized during the programme period. This delay stemmed from the registration protocols of the Gold Standard system proving vastly more complex than anticipated. Staff built technical capacity iteratively while navigating the mechanism, and by the end of the phase, it became evident that SPOs require continued external support to manage independent carbon credit production sustainably. Consequently, three target SPOs—one in Kenya and two in Ethiopia—will receive dedicated follow-up assistance during the 2026–2029 cycle to achieve full operational autonomy.

Finally, organizational compliance and governance risks manifested in isolated cases. In 2022, a **fraud incident** was detected within the internal operations of the Kuapa Kokoo Cocoa Union in Ghana; the case did not involve or compromise DONUTS project funds and was fully adjudicated by local authorities in 2023. Additionally, **standard compliance** risks materialized when 7 out of the programme's 70 POs failed to maintain alignment with core Fairtrade Standards and chose to exit the Fairtrade system altogether.

### Risks to sustainability of results

The foremost challenge at the close of the programme period is ensuring that achieved results are sustained independently after direct implementation ceases. While deep local ownership and highly participatory methodologies have significantly insulated these gains, structural risks to long-term sustainability remain.

Financial sustainability represents an ongoing bottleneck in low-income contexts. **POs' limited budgets** may constrain their ability to fund and maintain project-derived systems. At the household level, persistent, deep-seated **poverty** remains a primary driver for potential relapses into harmful practices, such as hazardous child labour or the forced labour of vulnerable adults. Fairtrade's permanent presence in these producer communities, the consistent distribution of the Fairtrade Premium, and ongoing commercial partner sourcing agreements serve as vital economic buffers against these regressions.

**Socio-cultural barriers** and deeply entrenched norms around exclusion—particularly concerning women, youth, and persons with disabilities—represent an enduring institutional challenge, notably within the West African cocoa sector. POs that have not yet fully coded inclusion principles into their formal policies and operational budgets remain highly vulnerable to priority reversals. This is compounded by **leadership turnover** within cooperatives and plantations; where individual leaders have been the primary champions of programme commitments, shifts in management can arbitrarily alter organizational directions.

The long-term commercial viability of specific income-diversification models will require close, ongoing observation. Youth cohorts engaged in micro-enterprises, such as clean cookstove manufacturing or professional agricultural pruning and weeding services, may face vulnerabilities regarding **market access** and business development support once direct project subsidization concludes. In most geographic contexts, the second phase of the DONUTS programme or parallel Fairtrade initiatives will actively provide the necessary follow-up monitoring and structural reinforcement.

On a positive note, ecological sustainability outcomes are exceptionally well-positioned for long-term endurance. Smallholders have demonstrated a powerful, self-interested commitment to agroforestry due to visible yield and micro-climate benefits, and the integration of these practices into cooperative extension networks and government agricultural programming provides a highly stable institutional foundation. Conversely, clean cooking interventions carry higher technical uncertainty, particularly in Kenya, due to localized challenges surrounding the supply chains for affordable spare parts and maintenance services. Finally, regarding HREDD, while continued corporate engagement in due diligence processes is highly encouraging, **preserving long-term private sector commitment** will require vigilant relationship management as corporate strategies inevitably evolve.

## 3.4. Accountability and transparency

Accountability and transparency were systematically operationalized throughout the programme by institutionalizing rightsholder and stakeholder agency, cultivating deep collaboration with primary implementing partners, executing rigorous evaluation mechanisms, and maintaining proactive, multi-channel communication about activities and results across both Finland and partner countries.

The DONUTS portfolio prioritized structural accountability first and foremost to its primary rightsholders. Transparency was embedded directly into the initial design phases, where localized participatory assessments actively shaped project architectures. This bottom-up approach was sustained throughout the implementation cycle: local project steering committees routinely integrated management and members from target POs, directly empowering rightsholders to drive strategic planning and executive decision-making.

This transparency served as a foundational pillar within the HREDD dialogue initiatives. By bringing upstream suppliers and downstream buyers together to confront shared value chain vulnerabilities, these platforms proved that rigorous trust-building and extensive pre-dialogue preparation are mandatory prerequisites for meaningful, balanced corporate accountability. Furthermore, the localized annual review workshops served as a primary field-level accountability mechanism. These forums empowered implementation teams and local stakeholders to collectively audit results, evaluate expenditure alignment, and co-design action plans for subsequent periods—a methodology validated by the programme's independent external evaluation as a genuine, high-integrity mechanism for participatory governance.

At the institutional level, Fairtrade Finland maintained rigorous oversight and communication with FTA and CLAC. This was sustained through formal quarterly steering committee reviews, bi-weekly bilateral executive sessions, and continuous operational contact. While the initial stages of the cycle presented minor alignment hurdles, the working relationships between

Fairtrade Finland, FTA, and commercial co-investors matured into highly collaborative, high-trust alliances. A definitive lesson emerged regarding institutional partner accountability: establishing absolute clarity regarding funding mechanisms, administrative compliance, and overarching programme principles from the very outset is vital to mitigating operational friction. This insight has been systematically integrated into the 2026–2029 partner engagement framework to further solidify joint accountability toward rightsholders.

The **programme communications** component focused symmetrically on amplifying programme outcomes to the Finnish public and targeting corporate actors whose supply chain practices the programme sought to reform. Programme communications were strengthened significantly during this cycle through structural investments in regional operational capacity. A dedicated Communications Coordinator was recruited at Fairtrade Africa to support the implementation of visibility activities, guided by a newly developed, joint programme communications strategy that established a unified framework for systematic outreach. The Coordinator played a key role in collecting and coordinating communications materials from field-level projects, which directly enabled the reporting and dissemination of programme results, good practices, and impact stories across organizational communication channels. Furthermore, by driving active engagement with local media and facilitating close collaboration with field coordinators, this role ensured the timely collection of information and documentation of project activities. These consolidated capacity upgrades fundamentally expanded the reach and institutional visibility of the programme and its outcomes at both the local and international levels.

Results were disseminated via dedicated web architecture, specialized newsletters, targeted social media, comprehensive guides, and strategic influencer partnerships. Website analytics confirmed public interest in expert, long-form reporting on core programme themes—particularly worker livelihoods, climate adaptation, and child labour prevention. On social media, however, where audiences typically favour fast visuals and simplified messaging, the programme's text-heavy and complex sustainability content underperformed in comparison to other channel topics. To bridge this gap, the final evaluation noted an opportunity to further elevate the narrative. Beyond shifting from localized project-level outputs toward illustrating the programme's systemic, macro-level value chain impacts, Fairtrade Finland is structurally upgrading its digital content delivery. Moving into the subsequent phase, the programme will pivot toward high-quality, project-related video production to better translate intricate sustainability data into the high-performance visual formats required to capture social media attention and deepen public accountability.

Finally, a comprehensive overview of the DONUTS programme remains accessible to global stakeholders on the Fairtrade Finland platform in both Finnish and English. Reflecting an uncompromised institutional commitment to zero tolerance for misconduct and the maintenance of a safe, equitable environment for all participants, a permanent, secure whistleblowing mechanism remains operational for rightsholders, staff, and external partners to report any governance or ethical concerns.



Coffee nursery with more resistant plants to diseases prospered with climate changes © Sean Hawkey/DELICA

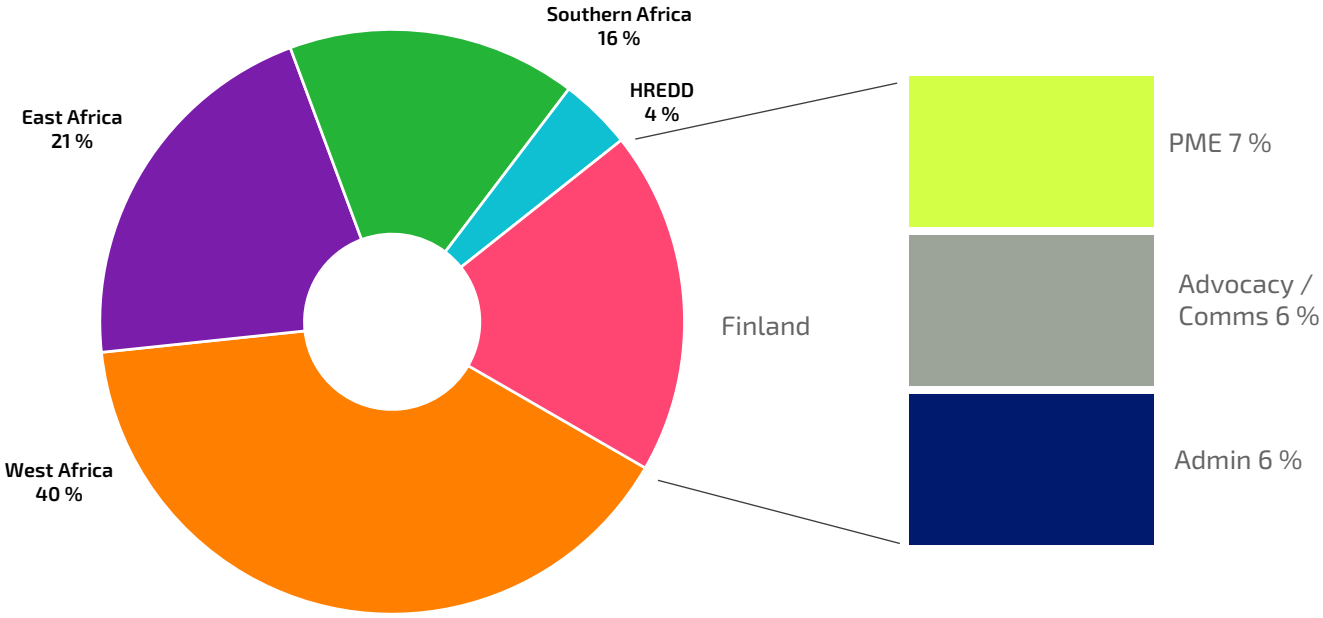
# 4 Administration and finance

Over the four-year implementation cycle, the programme demonstrated robust fiscal responsibility and stable financial management, resulting in a total cumulative expenditure of 11.8 million euros. Following an initial inception phase, the programme achieved a consistently high budget realization rate over its lifespan, recording annual implementation rates of 72% in 2022, 96% in 2023, 97% in 2024, and 94% in 2025. The lower utilization rate in the first year reflects typical operational challenges, including prolonged recruitment processes for key staff, and a steep learning curve associated with aligning multiple stakeholders to institutional reporting guidelines. Establishing programme-level monitoring structures and harmonized communication practices across a significantly larger, more complex portfolio required considerable upfront time. Navigating varying partner expectations, rights-holders' needs, and staff resources proved to be a continuous but valuable learning process that ultimately laid a solid foundation for subsequent implementation years. Throughout the cycle, administrative efficiency remained a core priority; Fairtrade Finland's overhead expenses were tightly managed and capped at a 6.0% (flat rate), ensuring that approximately 81% of the total programme budget was directed straight to field-level project implementation.

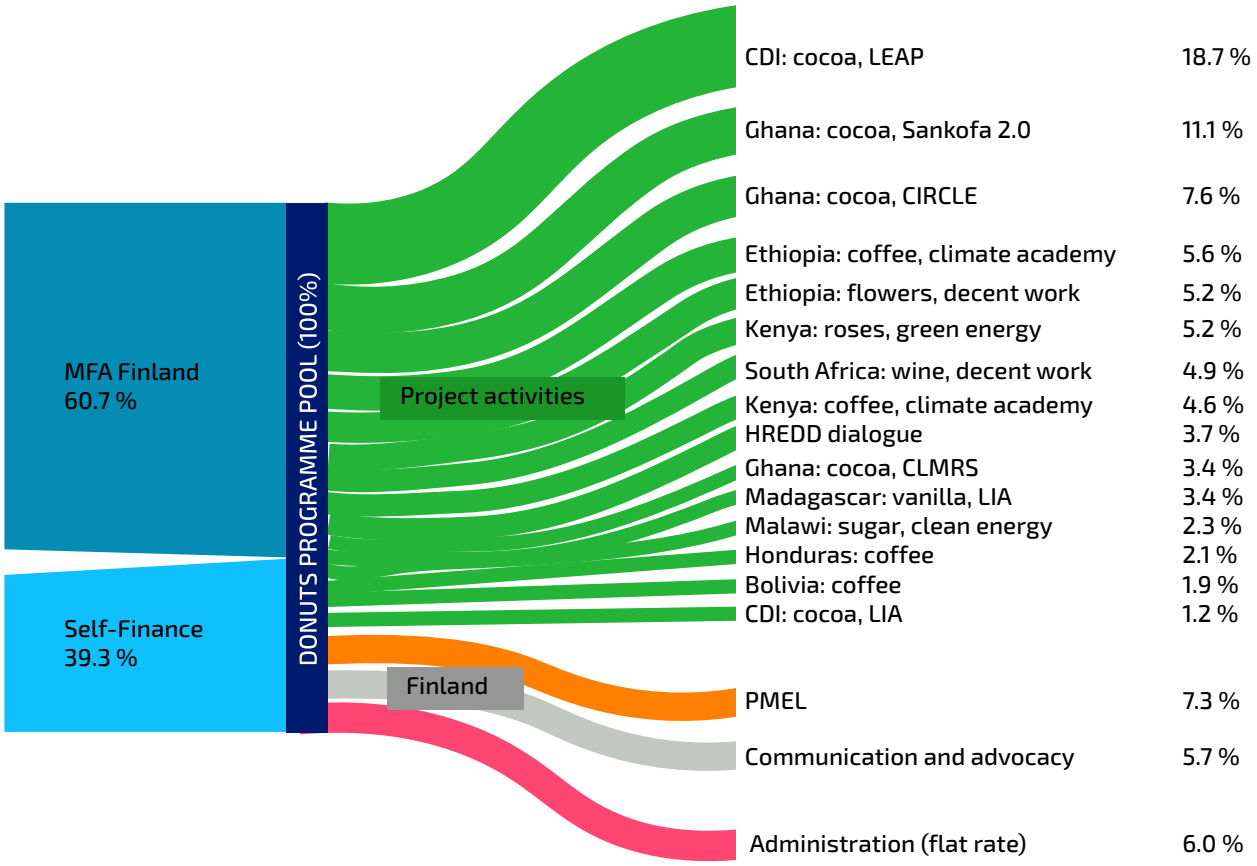
In the final year of implementation (2025), annual expenditure reached 3.4 million euros, representing an overall annual budget implementation rate of 94%. The vast majority of country-level projects remained firmly on track, with individual expenditure rates exceeding 90%. Two primary exceptions accounted for the minor year-end variance, both driven by external partner dynamics. First, the LEAP project in Côte d'Ivoire was impacted by a strategic pivot from the co-financing partner, Mars, which necessitated operational adaptations and delayed planned expenditures. Second, the vanilla project in Madagascar faced persistent strategic friction with external partners across the cycle. Specifically, achieving full alignment on the overlapping operational roles of Fairtrade Africa and Virginia Dare Madagascar required unexpected time, causing significant implementation delays that pulled down the final portfolio average.

The programme's funding model reflects a healthy, diversified financing structure. The Ministry for Foreign Affairs (MFA) of Finland provided the backbone of the programme, contributing 7.1 million euros and forming approximately 58% of total funding. The remaining balance was secured through private sector co-financing and international Fairtrade network contributions. Notably, organizational self-funding demonstrated a positive upward trajectory over the programme period, growing from 33% of the budget in 2022 to 42% in 2025. Key corporate partners providing essential co-financing throughout the four-year period included Alko, Chocolats Halba, Lidl, Mars, Systembolaget, Tony's Chocolonely, Vinmonopolet and several regional branches of Aldi (UK, Germany, and Switzerland).

## Expenditure 2025, by region



# Budget distribution and funding streams 2022–2025




Total programme pool mapped across field projects (81.0%) and essential monitoring, advocacy, communications and administrative functions in Finland.

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