2016 ANNUAL REPORT

Latin American and Caribbean Network of Fair Trade Small Producers and Workers
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## Glossary

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<th>Abbreviation</th>
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<tr>
<td>CLAC</td>
<td>Latin American and Caribbean of Fair Trade Small Producers and Workers</td>
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<td>FTA</td>
<td>Fairtrade America</td>
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<td>IICA</td>
<td>Inter-American Institute for Cooperation on Agriculture</td>
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<td>NFO’s</td>
<td>National Fairtrade Organizations</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>SCAA</td>
<td>Specialty Coffee Association of America</td>
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<tr>
<td>SCAE</td>
<td>Specialty Coffee Association of Europe</td>
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<tr>
<td>SCAJ</td>
<td>Specialty Coffee Association of Japan</td>
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<td>WFTO</td>
<td>World Fair Trade Organization</td>
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<td>SWP</td>
<td>System-Wide Project</td>
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<td>FI</td>
<td>Fairtrade International</td>
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Message from the President

“Changing Trade in order to change the living conditions of producers, workers, communities and consumers.”

CLAC recently completed the first year of implementation of its 2016-2020 fair trade strategy, focused on generating greater impact in the lives of producers, workers and consumers through the sale and purchase of products produced and traded with greater respect for natural resources and the environment, and for human beings and their rights. The challenge for 2020 is to increase the income of producers and workers, through increased sales of their products in the Fair Trade market, thus guaranteeing more dignified living conditions for rural families and their communities.

CLAC has worked with its Coffee and Banana Networks and with Fairtrade’s price department to determine the costs of economically, socially and environmentally sustainable production. It has also participated in working groups to develop strategies for achieving the goal of generating more dignified living conditions while addressing the difficulties and opportunities in the different markets. Together with Fairtrade, CLAC is developing methodologies for defining decent wages and incomes, to serve as a reference, covering the basic needs for a balanced diet, access to education, health, clothing, housing, transportation and savings in the various countries and regions.

2016 was also characterized by innovative projects such as True Cost Accounting applied to the banana sector. We now have more knowledge regarding the social and environmental costs of banana production and the reduction of those costs through Fair Trade, while guaranteeing better labor conditions, greater job security and improved agricultural and environmental management practices.

Fair Trade has changed and continues to change lives in a commercial world increasingly controlled by large companies and sustainability schemes that offer alternatives other than Fair Trade to consumers. It is important that we take the initiative, as producers and workers, through our organizations and networks, to do a better job of communicating Fair Trade’s impact in our lives and communities.

CLAC continues its efforts to strengthen the connection between producers and consumers, and to develop closer relations with businesses. CLAC’s Coffee Network has participated in SCAA, SCAE and Sintercafè events, and its Banana Network participated in Fruit Logistic, promoting Fair Trade and informing the public regarding its impact. In addition, CLAC is conducting some baseline and impact studies in the Dominican Republic and Colombia in order to verify the impact generated and provide producers and workers with tools for making decisions on increasing social and environmental impact through their use of the social premium in interventions and investments.

Local, regional and global communication and impact are extremely important for maintaining and expanding the commitment of businesses and consumers to Fair Trade.
In a number of markets we have observed a tendency among companies to lower prices and to develop their own sustainability initiatives, while others are moving toward more economic sustainable schemes, without concern for the negative effects on the lives of producers, workers and their communities.

One of Fair Trade’s aspirations is for producers and workers to be able to live with dignity on the basis of income generated by their work, and this requires fair, sustainable prices for their products. For this reason we are constantly working to define prices, and our trade is based on payment of these prices. We are the only ethically-motivated initiative characterized by conditions such as minimum prices, long-term trade relations and pre-financing, with the aim of greater sustainability and development through trade. Thus, we are not always the most attractive sustainable scheme for our commercial allies, and this makes consumers’ opinions and choices of utmost importance for achieving higher sales volumes.

CLAC has worked to improve and generate new virtual communication tools and to achieve greater presence in communication media and international events. It also works in alliance with others to promote and develop the sustainability of commercial chains, from producers to consumers. The UN International Trade Center has demonstrated great interest in working with CLAC on innovative projects for seeking multiple markets for multiple products from our producers, particularly in the Caribbean (coconut) and Peru (coffee and cacao).

CLAC has worked in collaboration with a number of national initiatives and donors in the areas of climate change, financial strengthening, gender equity, generational renewal, children’s protection and well-being, and labor rights. Sugar organizations in Belize have recently signed an agreement with the country’s government and sugar industry to play an active role in eliminating child labor.

Interest has been expressed in other countries for working with us on this and other topics of common interest. The Peru Fair Trade Network has worked closely with Fairtrade and the Colsiba Federation of Banana Trade Unions to establish a working group for discussing labor issues, making it possible to resolve the many conflicts in the country’s banana-producing region.

In 2016 CLAC’s Board of Directors approved our policy on the protection and well-being of children and vulnerable adults, and also our policies on gender and financial sustainability. Our policy on inclusion of young people in agriculture is in the process of being developed, and CLAC has participated in an FAO event in order to play an active role in developing initiatives and policies promoting youth inclusion. Countries such as Ecuador and Peru have conducted many activities with young people, who have expressed their interest in participating in CLAC’s activities in their countries and at the continental level.

Changing trade in order to change lives requires strong, committed organizations and networks working constantly to promote change within and beyond fair trade, on the part of buyers, consumers, civil society and governments. Investing in efforts to strengthen organizations and networks continues to be a priority for CLAC, and our services in the field respond as much as possible to the needs experienced. Our aspirations are to end hunger and poverty, to create more equitable societies, to care for our natural resources, to combat the negative effects of climate change, and to contribute to more sustainable models of production and consumption. None of this will be possible unless CLAC continues to become more united, strengthened and present in global debates seeking greater justice and well-being.

Lastly, I would like to once again express appreciation to our member organizations, our National Networks, Product Networks, Workers’ Network, and our operations team for your unconditional commitment, continuous dedication, and especially, your faith that together we will achieve the change to which we aspire. Thanks to each one of you!
CLAC’s work is guided by the strategic lines approved by delegates representing the region’s countries and products in the organization’s General Assembly, which meets every three years. Since the constitutive Assembly held in 2004 in Oaxaca City, Mexico, CLAC has maintained a governance system in which representatives of small producers and workers in Latin America and the Caribbean direct the path taken by CLAC, in accordance with Fair Trade values and principles.

The composition of CLAC’s current Board of Directors, for the 2016-2018 period, was established at CLAC’s Sixth General Assembly held in November 2015 in San Salvador, El Salvador, and it began its work in January 2016. During 2016, the Board held two physical meetings and two virtual meetings, at which CLAC leaders from various Fair Trade producing countries had the opportunity to discuss issues that have direct and indirect effects on the region’s Fair Trade Small Producers’ and Workers’ Organizations.

The Board of Directors held its first 2016 physical meeting on January 18-21. All of the leaders from the outgoing Board for the 2012-2015 period and those in the Board newly-elected in El Salvador participated in the meeting. The agenda included determining the membership of the committees addressing the various areas of CLAC’s work. Following the Board meeting, CLAC held a Gender and Masculinities workshop and a Leadership workshop, the latter focused on strengthening leaders to become more committed to a continent-level Network and concerned with collective well-being beyond that of a group representing a particular country and/or product.

Then on April 8 the Board held a virtual meeting at which members approved an Ad Honorem position of Labor Advisor.

This Advisor will assist the Board in making decisions associated with the topic of workers’ labor rights. Board members also approved CLAC’s Impact Strategy at the meeting. Later, on December 19 the Board held another virtual meeting at which participants analyzed the work carried out by the system in “Offer to Businesses.”

The Board’s second physical meeting in 2016 was held in San Pedro Sula, Honduras on September 20-22. Board members approved CLAC’s Asset Laundering Prevention program and the general framework for CLAC’s Gender Policy, and it selected the Ad Honorem Labor Advisor. A second Leadership workshop was held, designed to confront participants with the reality of serving as a leader, from an approach of using tools for thinking and a perspective of creative problem resolution.

In conclusion the Board of Directors’ meetings during 2016 were used to strengthen the leadership abilities of CLAC’s representatives from the various countries and products, and to address the most important matters for CLAC at regional and global levels.
FIRST IN-PERSON BOARD MEETING
January 18-21, Panama

SECOND IN-PERSON BOARD MEETING
September 18-21, Honduras

CARLOS REYNOSO
President of CLAC Coffee Network and member of the Board of Directors

“As a board member of the CLAC, I consider these kinds of workshops to be very convenient given the work that we do; it helps us to know how to handle ourselves in certain situations and also has an impact both personally, and in the organizations we are a part of. One of the messages that I took from the leadership workshop, mainly, is to better value each of the collaborators within the organization and in the work that we carry out in its favor”.

SECOND IN-PERSON BOARD MEETING
September 18-21, Honduras
From the Executive Director

“Our mission, in addition to representing Fair Trade Small Producers’ and Workers’ Organizations, is to contribute to the strengthening and development of these organizations, providing them with assistance and training, promoting their products and values, and exerting an impact in various forums in order to achieve greater benefits for our members.”

Thus, our work in 2016 was guided by our mission, aimed at maximizing our efficiency and scope. We are aware that in order to increase the number of participating organizations each year (with a 12% growth from 2015), we must not only be efficient, but must also diversify our financing sources, and work increasingly in alliance with other stakeholders throughout Latin America and the Caribbean with whom we share territory, values and principles.

Our budget for 2016 was 3.8 million US dollars, of which 70% came from funds received for license fees channeled through Fairtrade International. Of the total amount, 24% corresponded to funds for projects generated in the Fairtrade System or channeled through National Fairtrade Organizations (NFOs) in Finland, Germany, England, Holland and Switzerland, and also from the global fund for projects (System-Wide Projects). The remaining 6% came from other direct strategic allies such as TRIAS, BTC (Belgium Development Agency), Shared Interest, UNDP and Fundación Progreso.

Of our total resources in 2016, we invested 84% in activities in the field aimed at strengthening our member organizations and their structures: National Networks, Product Networks and the Workers’ Network; and the remaining 16% in activities associated with governance, Fair Trade promotion and communications strategy, and administrative expenses. Our five strategic actions intersect the issues of gender, youth inclusion, children’s protection, labor rights, climate change, environmental sustainability and food sovereignty. These issues respond to the context in which our organizations operate and to the most deeply-felt needs experienced.

STRATEGIC LINES

1. CLAC ORGANIZATIONAL AND OPERATIONAL STRENGTHENING

2. PROMOTION OF FAIR TRADE, ITS VALUES AND PRINCIPLES
A highly-committed team of 53 persons from across Latin America and the Caribbean have facilitated compliance with our annual operations plan. One of the most significant changes in our operational structure in 2016 was the addition of the Programs and Projects Department, which will allow us to manage our project portfolio more efficiently.

The year 2016 also brought challenges. Specifically, the earthquake in Ecuador affected a number of our member organizations, and Hurricane Matthew also affected various organizations in Colombia and Haiti, as did the heavy rainfall registered in the Dominican Republic at year’s end. These are only some examples of the challenges that were confronted and for which we channeled assistance to the organizations affected.

In addition, our new alliances, the work carried out by young people in various countries to enhance our trade profile, and the new cities declaring themselves as “Fair Trade” as a result of our campaigns are only some of the examples of success in 2016 that we are celebrating. We invite you to read more about these experiences in the following pages.

We know that when we are united and accompanied, we can achieve even more. So, we bring one year to a close and venture into a new year, with the knowledge that only united and in alliance with others will we continue to move forward!
CLAC has actively worked on this strategic line during 2016, and we have seen with each passing year that our base of Fair Trade organizations continues to grow. This presents us with the challenge of addressing the needs of an increasing number of organizations, as we accompany them in their own strengthening and development processes. At the beginning of 2016, we were working with 717 Fair Trade organizations and by year’s end, this number had increased to 800.

CLAC’s Organizational Strengthening and Capacity-Building strategy is based on six pillars:

- **Organizational Strengthening**
- **Commercial Strengthening**
- **Administrative and Financial Strengthening**
- **Productive Strengthening**
- **Compliance with Fairtrade Standards**

**Strengthening in Cross-Cutting Areas Such As:**
Gender, Youth Inclusion, Social Compliance, Good Labor Practices, Climate Change, Caring for the Environment, and Food Sovereignty

We would like to report the progress made in 2016 through our focus on these pillars:
Organizational Strengthening

We have carried out a total of 469 activities in the area of organizational strengthening (28% of total activities), particularly in planning; training in Fair Trade criteria and values; youth inclusion and leadership; and business management. We made 235 visits to organizations with a focus on the organizational area, particularly in planning, leadership and Fair Trade criteria and values.

It is not surprising that we have invested many of our efforts in the area of organizational strengthening, since an organization that has been strengthened in aspects such as governance, leadership and planning is an organization that can take on many other challenges in other areas of intervention in our Strengthening and Development strategy.

Commercial Strengthening

We have carried out a total of 190 activities in the commercial area (11% of total activities), particularly in relation to topics such as risk management, unfair competition, attendance at Fairs and accompanying visits to buyers or business tours. We conducted 37 visits to organizations with a focus on the commercial area (preparing business processes and reviewing contracts, in particular).

Later in this document we will further address the support provided in this particular aspect, since it is closely associated with strategic line no. 4: growth and creating links to existing and new markets.

Financial strengthening

We have carried out a total of 73 activities in the financial area (4% of total activities), particularly in relation to topics such as strengthening financial management, interpreting Financial Statements, and managing proposals and loans. We conducted 27 visits to organizations with a focus on the commercial area (preparing financial reports for General Assemblies, and reviewing financial reports prior to audits).

Also during 2016 we carried out a joint project with the Shared Interest Foundation in a total of 25 small producers’ organizations in Colombia and Peru. The primary focus was on the organizational and financial strengthening of organizations, assisting them in creating solid business plans for presenting to financial entities when requesting loans.

Lastly, we would mention that we have invested a great deal of time and effort in studies on Sustainable Production Costs, especially with coffee and banana organizations. The objective is for organizations to use an especially-designed control tool to calculate their costs and thus identify opportunities for improvement and increased efficiency in these costs.
We have conducted 126 activities in the productive area (8% of total activities), particularly through training on soil conservation, bio-ferments and bio-factories, and sound agricultural practices. We conducted 43 visits to organizations with a focus on the productive area (combatting diseases and sound agricultural practices, in particular).

Our efforts in productive strengthening were complemented by our Programs and Projects department, through which we were able to obtain external financing through a project with the Finland government through Fairtrade Finland in Nicaragua, Honduras and Guatemala. Fairtrade Finland has many successful experiences to share in the area of sound agricultural and productive practices. Also during 2016 we were able to facilitate a coffee productivity project in Bolivia with assistance from Fairtrade Germany and with financing from Lidl Germany. We have completed a project for increasing banana productivity, financed for a two-year period with resources from the Fairtrade system. The main focus was on soil health and producing bio-ferments to achieve increased productivity with minimal costs. The project’s results surpassed expectations, with a 14.5% increase in annual productivity, beyond the 5% initially projected. The project has also generated other unexpected positive results, such as a reduction in the water footprint and carbon footprint by increasing soil moisture and applying fewer chemical products.

“This project satisfies both promoters and farmers. We have replicated all of the workshops received and are pleased to know that the majority of farmers are putting into practice what they have learned. We have touched on environmental themes, masculinities, gender and self-esteem. In addition, the project is benefitting in the implementation of demonstration plots. We are excited; two years from now we will have 10 more hectares in new plots.”

Eloy Cruz, Montaña Verde Promoter
LIDL Project, Bolivia

“For the youth at La Fortuna, it has been a very beautiful experience to be part of this reforestation project, recovering our cooperative’s natural ecosystems. Since being a part of the community’s water conservation and participating in seed collection, it has been very interesting. In addition, the young people are very enthusiastic, because the project’s incentive motivates us to continue to work in this area.”

Teresa Buendía, CESPPO member and participant in the project, Recovery of Natural Ecosystems and Protection of Aquifers in the coffee and balsam cooperative, La Fortuna, El Salvador.
Compliance with standards

We have carried out 267 activities focused on compliance with standards (16% of total activities), especially training on interpreting Fairtrade standards, and facilitating an understanding of non-compliance with FLO-Cert. We conducted 171 visits to organizations with a focus on complying with standards, primarily following up on pre- and post-audits.

An important task in terms of participating in the governance of the Fairtrade system and from a perspective of the impact for CLAC member organizations is CLAC’s structured participation in consultations on standards. For this purpose we have created a Standards Commission composed of members and former members of CLAC’s Board of Directors who review all the documents subjected to a consultation process in the Fairtrade system, to then issue an opinion from CLAC. The Standards Department coordinates consultations in the field with the technical team, inviting members to joint meetings for evaluating consultations, for the purpose of exchanging opinions, both pro and con, and when possible, arriving at consensus. All of these results from consultations are then systematized and shared with CLAC’s Standards Commission, which then issues recommendations to our representatives on Fairtrade International’s Standards Committee. Support from our entire operations team in consultation processes increasingly requires an increased amount of time dedicated to facilitating active participation in consultations on standards. Our objectives are for this participation to be based on a solid understanding of the questions and proposals, and for responses to be debated within and between organizations prior to their presentation.

Cross-cutting areas

We have carried out 462 activities focused on cross-cutting issues (28% of total activities), particularly on Gender, Social Compliance and Climate Change. We conducted 27 visits to organizations with a focus on cross-cutting issues. We will share further details on these activities, particularly in the areas of gender and youth inclusion, and also on social compliance and climate change. With regard to accumulated results, please refer to the graphics below that provide a comparison of activities in recent years.
**Estadísticos:**

**Número de talleres**

<table>
<thead>
<tr>
<th>Año</th>
<th>Total</th>
<th>% Mujeres</th>
<th>% Hombres</th>
<th>% Mujeres sobre total</th>
<th>% Hombres sobre total</th>
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<tr>
<td>2013</td>
<td>865</td>
<td>40%</td>
<td>60%</td>
<td>25%</td>
<td>75%</td>
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<td>2014</td>
<td>3915</td>
<td>37%</td>
<td>63%</td>
<td>35%</td>
<td>65%</td>
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<tr>
<td>2015</td>
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<td>29%</td>
<td>71%</td>
<td>30%</td>
<td>70%</td>
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<tr>
<td>2016</td>
<td>6349</td>
<td>30%</td>
<td>70%</td>
<td>25%</td>
<td>75%</td>
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**Número de Visitas**

- Organizacional
- Comercial
- Financiero
- Productivo
- Cumplimiento de estándares
- Otras transversales

**Número de Reuniones**

En este apartado se refleja una gran parte de las reuniones en el tema de incidencia, las campañas por el Comercio Justo y para buscar nuevas alianzas y mantener alianzas actuales.

**Número de organizaciones atendidas**

- Suma de PO’s no atendidas
- Suma de PO’s atendidas

Pequeños Productores y Trabajadores por un Comercio Justo
The Latin American workers’ network was created for the purpose of exchanging impressions and concepts regarding Fairtrade standards for hired labor and the challenges confronted daily by workers in this context.

The network’s first meeting was held on April 21-25 in the city of Jarabacoa in the Dominican Republic, with the main objective of establishing strategic lines of work, based on CLAC’s strategic plan.

Regarding the strategic line defined as Strengthening and development of our member organizations, it is worth mentioning the meetings held in the countries where workers belonging to this network are located. These local meetings have emphasized the importance of analyzing and carrying out projects for greater impact in areas such as housing improvement, incentives for education for members of nuclear families, and access to better health conditions for workers and their families.

In relation to the Growth and creating links to existing and new markets strategic line, local networks of workers have developed new proposals aimed at consolidating existing markets while also proposing strategies for exploring and/or entering into new markets. One of these proposals is to visit countries where Fairtrade products are purchased with the objective of showing final consumers the impact and what has been achieved by investing the Fairtrade premium in the region’s countries.

In Colombia workers have created and consolidated the Foundation for fair trade workers of Urabá (FUNTRAJUSTO), with the primary function of administering the resources donated by workers’ legal entities. The purpose of these donations are to develop social projects with a regional perspective and impact in the four municipalities. Local governments and various governmental and non-governmental entities have been involved in all the social projects, but administration of resources has always been led by the workers’ foundation. This has created a sense of trust, credibility and compliance in relation to the transparent use of resources.

Lastly, but not last in importance, the workers’ network in a number of countries has carried out activities associated with the cross-cutting areas proposed by CLAC.

The Latin American Workers Network has been created with the purpose of exchanging ideas and concepts regarding the Fairtrade Standard for Hired Labor, and sharing the daily challenges faced by workers in this context.
One of these, Gender, was the topic of workshops in Colombia, Ecuador and Dominican Republic, bringing visibility to the work carried out by women workers and their fundamental role in productive processes. Workshops on Climate Change have also been planned in Colombia with the aim of developing a regional action plan that involves various responsible stakeholders in this area. Activities have been carried out in Brazil, Ecuador and Chile with Youth promoting new proposals associated with technological innovation and participation in productive processes. In most countries opportunities for discussion and analysis regarding good labor practices have been generated, developing proposals that facilitate building a world trade system that is more inclusive, fair and transparent.

**GENDER**

In Colombia, Ecuador and Dominican Republic, workshops have been developed, making visible the labors of the working woman and its fundamental role in production processes.

**GOOD LABOR PRACTICES**

In the majority of countries, spaces have been generated for discussion and analysis of good labor practices, constructing approaches that facilitate the construction of a fairer, more inclusive and transparent trade for the world.

**WORKERS**

Finca Lidia María, Dominican Republic
We have worked diligently in 2016 to renew and intensify trade relations with existing and new trade partners. We have implemented various strategies—all with the same goal of bringing particularly small producers’ organizations much closer to other stakeholders in the market, to enable them to share their stories and their high-quality products, and in this way strengthen the bonds and trust between producers and markets. Some of the strategies implemented were:

a) Attendance at Fairs
In 2016 CLAC facilitated attendance at Fairs by 192 producers’ organizations, particularly those involved in coffee production. Creating a presence at events organized by SCAA (United States), SCAE (Europe), SCAJ (Japan) and Sintercafé (Costa Rica) has been vital for coffee producers in increasing the number and quality of contacts with the coffee industry. In addition, we have coordinated coffee tastings at a number of events, with opportunities to sample high-quality fair trade coffee. These efforts have created a positive image at the events, and not only for the organizations providing the coffee samples, but also for fair trade organizations in general.

CLAC has also, through a project with Fairtrade Finland, developed a Manual for Participation at Fairs, to assist coffee organizations in becoming better prepared for participating at such events.
b) Accompanying producers’ organizations on visits to buyers

In 2016 we accompanied producers’ organizations representing 12 countries and 9 products on a total of 22 visits to National Fairtrade Organizations, buyers and consumers. These visits have been very important in creating a strong link between buyers and producers, and have provided a magnificent opportunity to demonstrate Fair Trade’s impact in the field. There is no better “advertisement” that demonstrates this impact than to see with one’s own eyes and to talk with the families belonging to producers’ and workers’ organizations.

ALIEN HUIZING
Coordinator of the Juices project at Max Havelaar Holland

comments on a tour with buyers to Brazil in November 2016:
“The buyers we accompanied to Brazil were very enthusiastic about the tour. They have learned a great deal about Fair Trade, and what it means for producers, and they hope to be able to further increase their Fairtrade sales. They told us that the visit was very well organized and they wanted their impressions to be passed on the team! I have also learned a great deal about juices and of course about producer organizations and how they have benefitted from Fair Trade. I have gathered together a lot of information about the organizations, and this will help our work in Europe. I have become more inspired by juices. I have clearly seen that producers’ organizations have made considerable progress since the last time I was in Brazil four years ago.”

c) Design and implementation of co-investment projects

As a result of some of the visits mentioned and with mediation by CLAC’s Product and Market Coordinators, we have been able to design and implement co-investment projects between buyers and producers and between National Fairtrade Organizations (NFOs) and CLAC.

We can mention, for example, the designing of a project for some small producers’ organizations in Peru’s Selva Central. The producers received a visit by buyers and the Fairtrade Foundation interested in co-investing in women’s and young people’s participation in the organizations. Another example is the co-designing of an investment project between Ben & Jerry’s (a buyer), producers and the sugar cane industry in El Salvador. Also in 2016 we initiated the implementation of a co-investment project from the Fairtrade system for orange producers in Brazil and Mexico. This latter project is composed of two aspects: first, investment in strengthening orange producers’ organizations in these two countries, and secondly, creating a closer relationship between NFOs and the juice industry, to explore the potential for expanding the market for Fairtrade juices. This project continues in the early months of 2017, but a very positive impact is already evident. We have already, through the planned activities, brought producers much closer to the industry, and together they are seeking possible solutions to the challenges that may arise in the path toward opening up more markets to producers.
d) Creation of informative materials (newsletters and profiles)

During 2016 we invested heavily in the creation of a database with the commercial profiles of all of our member organizations. This work has included designing unique formats for the profiles for each product, the technical creation of an IT tool that will serve as the database for safekeeping all commercial profiles, entering all the information from the profiles, and the graphic design for presenting the profiles.

Within this context, during the last quarter of 2016, we hired 30 young people on a temporary basis to visit our base-level organizations to gather information for the commercial profiles. This work resulted in 350 new commercial profiles that we are still refining in early 2017, translating them and entering them into the database system and in the graphic format. We hope to repeat this work with assistance from young people in order to further expand our database of information regarding our member organizations.

We also produced our first informative newsletters specific to individual products, such as the Banana Newsletter in English and a Newsletter on Juices. We would like to create more newsletters for more products in 2017.

With the Progreso Network, CLAC promotes the creation of discussion groups for individual products, with the opportunity to share the latest news on markets or production with interested members in the groups. We have observed that these groups are a simple, inexpensive tool for bringing information to base-level organizations.

Webinars are another tool that has turned out to be very useful in bringing producers closer to markets. We organized 34 webinars in 2016. The Honey Network in particular has benefitted greatly from the exchanging of experiences and information through webinars. Wine producers have also become better informed regarding the Fairtrade wine industry by attending webinars facilitated by CLAC, in which we have also invited individuals from NFOs to share their information on markets.
f) Training workshops on risk management and sound trade practices

We have trained 112 coffee organizations on topics associated with commercial Risk Management this year. We have also organized events on sound trade practices to promote positive experiences in participating in the market for organizations.

g) Participation in global planning for products such as coffee and bananas

Particularly in the case of bananas and coffee, which are the two products with the greatest sales volumes in Latin America and the Caribbean, we have actively participated in global planning of activities for specific products. This has facilitated working more closely with Fairtrade International and with NFOs, and has led to greater alignment between interventions in the North and in the South.
As part of our commitment to cross-cutting issues, CLAC’s Board of Directors approved a gender policy, which is a document that serves as a foundation and reference for implementation of strategies oriented toward promoting gender equity. The Board has also developed a draft for its Youth Inclusion Strategy, which was shared with young people participating in CLAC’s first youth conference for the Latin American region. The event, held in El Salvador in March 2016, provided elements for the strategy’s further development. Both documents—the gender policy and the strategy for youth inclusion—are instruments that CLAC is promoting to encourage small producers’ and workers’ organizations to launch strategic actions aimed at inclusion and sustainable processes.

CLAC and its National Networks have implemented awareness-raising activities with organizations in Latin America and the Caribbean. Specifically, nine workshops on gender, leadership and masculinities were conducted with producers’ and workers’ organizations, in Colombia, Dominican Republic, Paraguay and Bolivia, with 397 producers and workers participating (253 women and 144 men). As part of efforts to include young people and generate opportunities for dialogue, CLAC held its First Latin American and Caribbean Conference on Youth in Fair Trade in 2016, entitled “Youth Promoting Generational Focus.” Delegates from 20 countries participated in this event, which served as a forum for analysis and exchanging of experiences.

In addition CLAC promoted opportunities for meetings and exchanging of experiences regarding gender and youth, in Mexico, Guatemala and El Salvador, and in the Andean region, with participation by organizations from Peru, Ecuador and Bolivia. These events were planned together with National Networks and partner organizations like TRIAS.
Methodologies for workshops and exchanges have been designed in a participative, experiential manner, in order to facilitate an understanding of and the importance of establishing fairer and more respectful relations between men and women in our lives, and to identify commitments to changes at individual and organizational levels aimed at making progress in gender equality. As part of this process, CLAC developed a Methodological Manual with ten training modules, systematized in the Leadership School, available in Spanish and Portuguese, and accessible to organizations at cl@se.

During this period, CLAC completed the implementation of the program entitled “El Salvador moving toward inclusive development: women, men and youth working in their organizations to achieve economic development, promoting sustainable regional processes” (El Salvador hacia un desarrollo incluyente: mujeres, hombres y jóvenes desde sus organizaciones (OB) hacen realidad el desarrollo económico impulsando procesos regionales sostenibles). This was accomplished together with TRIAS DGD, which contributed vital elements to this process during the last three years. We are very satisfied with this experience, due to the progress achieved, and we have many challenges ahead, as we continue this work in CLAC and in our organizations to include women and youth. This process has led to advances in inclusive processes in El Salvadoran organizations. Specifically, the National Fair Trade Network (Coordinadora Nacional de Comercio Justo—CESPPO) now has a policy on gender and youth, and the process has promoted opportunities for awareness-raising and leadership, inclusion commissions, and consolidation of women’s and youth committees in four small producer’s organizations. It is also important to mention that this alliance is continuing through the implementation of a new five-year program.
Social Compliance

With the creation of the new position of Social Compliance Coordinator, CLAC is moving forward in strengthening its operations team and building its capacities in issues such as child labor and forced labor.

We have continued to strengthen our member organizations in the cross-cutting areas of children’s protection and good labor practices, primarily through awareness-raising workshops on topics of children’s rights, child labor and forced labor, and Fairtrade standards related to these issues. Some of these workshops were focused on encouraging reflection on the role of producers’ organizations in addressing these issues. This was one of the aspects discussed in developing children’s protection policies in our organizations. A total of 24 workshops were conducted in 2016, with participation by over 154 organizations from twelve countries.

Regarding CLAC’s strategic approach in the area of social compliance, coordination has been maintained with the Social Compliance Commission in which Board members participate, and which guides CLAC’s actions relative to children’s protection, child labor and forced labor.

Some advances during 2016 worth highlighting—most of which will continue and become more established in 2017—are the following:

- **CLAC’s policy for protection of children and vulnerable adults entered into effect**, together with the policy’s operational procedures aimed at compliance with the organization’s commitment to respond to any known cases in which a lack of protection is affecting children or vulnerable adults in the context of Fairtrade production.

- **Projects associated with children’s protection and well-being were conducted**, with the aim of implementing systems for monitoring and remediation of child labor in producers’ organizations in Mexico, Belize, Dominican Republic, Paraguay and Peru. This work is based on broad-based participation by youth and communities, and has permitted actions aimed at preventing and remediating child labor and promoting environments that protect children.

- **Based on a review of the institution’s previous experiences and lessons learned in this area, as well as external methodological contributions, CLAC has prepared didactic guidelines and methodological proposals to address child labor and to be implemented with producers’ organizations interested in including this issue in their agendas.**

- **CLAC has prepared documentation on the issues of child labor and forced labor for the purpose of gathering and disseminating important information on standards and actions related to these issues. This includes databases for specific countries on related legislation, policies, actors and institutional contexts. Through this work, we are seeking to generate a foundation of knowledge that will allow us to better focus our work and apply Fairtrade standards in each national context. We anticipate joining efforts and coordinating with actions taken by other stakeholders with the goal of preventing and eradicating child labor and forced labor.**
Programs and Projects

This department was created in mid-2016, and the initial months of work have allowed us to establish the foundations for its correct functioning. CLAC created the Programs and Projects Management Department (Unidad de Gestión de Programas y Proyectos—UGP) based on a need to diversify our financing sources and expand the programmatic impact from our work. The UGP’s fundamental objective is to contribute to the institution’s mission by:

- Promoting a change in the organizational culture around managing programs and projects, with the aim of expanding CLAC’s programmatic impact.
- Providing support and training to teams responsible for programs and projects.
- Monitoring, evaluating and systematizing lessons learned in programs and projects.
- Assuring quality of services and efficiency in communication and use of resources in programs and projects.
- Coordinating with other areas in CLAC to manage programs and projects and mobilize resources.

Against this backdrop, the achievements in 2016 are the following:

During 2016 CLAC enhanced its portfolio of project proposals, by developing 11 profiles or concepts for donors such as the IADB, European Union, United Nations system, Fairtrade International, and others. We have developed a comprehensive portfolio that covers the four regions in which we currently operate and that covers all the cross-cutting areas.

We view our programs and projects as valid instruments for strengthening our institution and our organizations, and promoting empowerment. The project management model we are implementing is contributing significantly to strengthening our National Networks. Achievements in the “Building sustainable livelihoods for fair trade small coffee producers” projects in Nicaragua and Guatemala include having contributed to increasing visibility and recognition of National Networks as key actors in coordinating small producers’ organizations (SPOs) in each country and having strengthened capacities in administrative management, accountability and strategic planning.

This has been achieved as a result of the high level of commitment on the part of CLAC’s teams in these countries, the National Networks and the project teams that have worked in coordination, generating synergies that facilitate reaching the projects’ expected outcomes.

We have also worked on strengthening CLAC’s operations team, through training workshops on management projects and Fairtrade International’s Programmatic Approach. At the end of 2016 we initiated the implementation of a pilot project that has strengthened the capacities of the implementing team and its supervisors in comprehensive project management based on an adaptation of PMDPro methodology for development projects. Results from this pilot project will become evident in the coming year, when the lessons learned are implemented in other projects and when the team has become certified in PMDPro.
During this year we designed and are testing a project management model inspired by fair trade principles and values. The model’s purpose is to ensure spaces and mechanisms that permit:

- Effective participation by all interested parties in decision-making, planning and accountability.
- Promote accountability and transparency in project management.
- Strengthen management capacities of organizations involved.
- Empower participating organizations.

This model has been placed into practice in all recently-approved projects in a consensual manner with the SPOs and National Networks involved, and emphasizing that this is a way to promote and implement fair trade principles.

In 2016 CLAC’s project portfolio consisted of more than 18 projects in 11 countries. Through these projects, CLAC has assisted SPOs in improving their productive capacities, complying with fair trade standards and enhancing their capacities for exerting an impact.

Regarding the “Building sustainable livelihoods for fair trade small coffee producers” projects in Nicaragua, Guatemala and Honduras, we have achieved the following:

- 49 SPOs have implemented demonstration plots for improving their production practices and have renewed their coffee fields.
- Guatemala: 15 SPOs have developed and implemented their strategic plans; 143 women and 242 men were assisted; 15 bio-factories for agricultural inputs have been implemented to decrease the use of toxic agro-chemicals and to reduce small producers’ dependence on external products; and assistance has been provided to the national women’s commission.
- Honduras: youth committees were created in all participating SPOs, which also have enhanced accounting systems and have expanded their technical, administrative and market capacities.
- Nicaragua: both SPOs and the National Network have developed and implemented their strategic plans; 14 bio-factories for organic agricultural inputs have been implemented; 16 soil chromatography labs were established in participating SPOs; and governance bodies in participating SPOs have been strengthened, incorporating women and youth in decision-making.

Achievements in 2016 have allowed us to expand these projects for another year, and have opened the way to presenting six more proposals to the same donor, for approval during 2017.
In the northern part of Chiapas (a Mexican state), severely affected by coffee rust, CLAC provided training to four organizations: Maya Vinic, Tzeltal Tsotsil, Majomut and Tiemelona Nich Klum (TNK). The training, in which women and young people participated, was focused on organic practices for managing crops resilient to climate change. The project with TNK on adapting to climate change, financed by Lidl Deutschland, was completed with the planting of 125,000 new coffee plants and with new capacities developed in the organization.

In El Salvador the project with the El Jabalí Cooperative, “Supporting coffee-growers in El Salvador in fighting coffee rust and adapting to climate change,” was finalized. During this project, financed by Fairtrade International, 12 manzanas of coffee were renewed (1 manzana = approximately 1.7 acres), with 45,000 new coffee plants, from the bourbon and catisic varieties.

In Bolivia the “Youth Leading Adaptation to Climate Change in Caranavi-Bolivia” project, financed by Lidl Deutschland, was initiated in 2016. With an event to launch the new project, and a training workshop on climate change attended by young people serving as community workers and leaders, this two-year project began. The project’s goal is to contribute to strengthening eight organizations of small organic coffee producers, and to improve production systems by implementing climate-smart practices and building the capacities of youth leaders promoting the project through a leadership school.

“In this project, technicians have taught us how to prepare mineral mixtures (caldos minerales), how to prune and provide shade, how to plant. What I liked most was learning about mountain microorganisms. I didn’t know what they were, or that you could find them in my land plot.”

Domingo Mendez Montejo
Producer in TNK

“We were affected by coffee rust, and our coffee plants were worthless. Now we’re seeing results from the new little plants, and we are hopeful they will produce some day.”

Maria del Carmen Águila Hueso
producer in El Jabalí Cooperative.

This year CLAC’s Climate Change program was approved by the Commission established for this purpose. The program was created to assist SPOs in strengthening their abilities in adapting to and enhancing their resilience to climate change. Through public and/or private associations, alliances with research institutes and experts, the program will train small producers and provide them with access to new technologies, adaptation, mitigation and management strategies for natural resources in order to increase their productivity in a sustainable manner, while reducing their vulnerability to climate change effects. During 2016, two projects were completed and another was initiated, with a focus on small coffee producers adapting to climate change. Other activities carried out were focused on providing information, guiding management of funds, and offering training workshops on this topic, to support CLAC’s other areas and focuses, in El Salvador, Mexico, Colombia, Bolivia and Paraguay.
Advocacy

Becoming Aware of the Importance of Effective Advocacy Work

If 2015 was key to creating CLAC’s first impact strategy, we can say that we were put to the test in 2016 to understand the best way to coordinate actions in this important strategic line. Although the budget for impact work was not approved until nearly the end of April, it was possible to carry out a number of actions at the regional level and as a result of the impulse provided by a number of the national networks. CLAC also initiated a second Global Project, with impact actions that also respond to the Fairtrade system’s impact approach.

In fact, key aspects previously included in CLAC’s Impact Strategy are reflected in the global strategy: a) a “glocal” approach, in which different levels (global, continental, national and local) share a common responsibility and dialogue regarding their different visions; coordination takes place at the international level, promoting multi-level participation, and providing incentives for local, national and regional initiatives; and through this equilibrium, each level is permitted to find their place within the movement; and b) a “coalition” approach, which is so very important, since effective impact work is impossible working alone. This is what we have learned, for example, through the “Latin American Cities and Towns for Fair Trade” campaign, a process we share with WFTO-LA and the Small Producers’ Symbol.

Priorities for impact work, selected at the international level, clearly build on the work that CLAC has anticipated with its strategy in this area. The Fairtrade strategy also considers five challenges, including differentiated public policies, climate change, capacities for impact, and poverty/inequalities (dignified income and wages). As for the fifth challenge, CLAC considers a focus on citizen awareness of responsible consumption and fair trade as fundamental for the region, while at the global level, the system’s coordination of impact work is identified as a challenge, since this is the first time that the Fairtrade system has defined a strategy in this area.

CLAC’s most important advances in 2016 have been concentrated particularly in three of the five challenges: 1) we have conducted impact workshops in Chile, Bolivia, Nicaragua and Paraguay, aimed at improving capacities in impact work in the respective National Networks; and we have expanded our positioning work at the Latin American level, with presence at international forums (as in Argentina and Paraguay), publicly declaring our positions, with an impact video and deepening our strategic relations; their businesses; and we have taken on the challenge of the Sustainable Development Goals in our approach.
2) we have carried out more awareness-raising actions through the Latin American Cities and Universities for Fair Trade campaigns, with the first Latin American national capital declaring itself in favor of fair trade (Quito) and the first Ecuadoran city declaring support for fair trade (Riobamba); and 3) we have worked to do a better job of communicating our progress in certain countries in relation to public policies supporting fair trade and our organizations in their internal development processes and in the globalization of their businesses; and we have taken on the challenge of the Sustainable Development Goals in our approach.

CLAC’s Board of Directors now has an Impact Commission, with its internal procedures. And at the international level, CLAC maintains a position on the Fair Trade Advocacy Office’s Board, representing three Fairtrade producers’ networks. CLAC also actively participates in the global group on impact, sharing its experiences and learning from the experiences of other stakeholders in the system.

Gradually, all the National Networks are taking on the challenge of developing a strategy for national impact, which may generate inputs for annual and pluri-annual planning. An increasing number of producers’ organizations, national networks and members of CLAC’s operations team are understanding the importance of effective impact work. Positioning CLAC and the movement in favor of fair and solidarity trade in the region is a medium and long-term process, but it is beginning to produce results.
CLAC’s virtual tools are focused on promoting and facilitating the exchanging of ideas and managing the knowledge of our member organizations, as well as maintaining records of basic annual statistics for CLAC’s strategic decision-making, by country and by product.

For 2016 we wanted to promote the use of these tools by our organizations through activities that increase the number of visits and contributions from the various users to each one of these tools.

Progreso Network is a social network administered by CLAC. During 2016 the Network developed 12 newsletters to promote this platform’s visibility. The number of registered users has increased from 1,897 to 2,233, with 336 new users representing a 17.7% increase over the year 2015. During this period the Network also created two competitions, since it is a tradition with our platform for organizations to share their experiences in areas such as “Adding Value to Products of Organized Small Producers” and “Sustainable Water Management by Small Producers,” which support CLAC’s strategic lines, and specifically, “Growth and creating links with existing and new markets” and our cross-cutting areas including “Climate Change, Environmental Sustainability and Good Labor Practices.”

Cla@se, our platform for knowledge management, is where we safeguard the experiences shared by our organizations, and where we provide users with didactic materials for conducting more effective trainings and workshops.

During 2016, our catalogue of resources was expanded to include Manuals for Technical Advisors, support material for developing a Leadership School for Women, a Human Management Model, synthesis of experiences of small producers with respect to actions for mitigating Climate Change, based on Progreso Network’s 2015 contest, and other resources. The development and use of this platform facilitates CLAC’s organizational and operational strengthening, as well as the strengthening and development of our member organizations, both aspects of our strategic lines governing CLAC’s work.

Our CLACBook platform registers socioeconomic information on our organizations. During 2016 the number of organizations increased from 397 to 545. The 148 new organizations registered represent a 37.2% increase and an estimated number of members of 318,211 men and 99,126 women, representing 76% and 24%, respectively.

Ongoing improvement and monitoring of our virtual tools is anticipated for 2017, to continue to meet our objectives in addressing our organizations. The most outstanding project is gathering information on our member organizations in the field, and on organizations interested in joining CLAC. With this information, we will be able to generate automated commercial profiles that will support the promotion of our fair trade products, and thus, our member organizations as well.
The Latin American and Caribbean Network of Fair Trade Small Producers and Workers, CLAC, is one of the three Producer Networks that co-owns the Fairtrade International system. It was created in 2004, to cover all agricultural Fair Trade products, through the cooperation between two existing continental networks that existed since 1996: CLA (the Latin American Coordinator, which grouped Fair Trade small coffee farmers) and PAUAL (Small Beekeepers States of Latin America).

- **717**: Small Producer Organizations and Workers' Associations that CLAC represents in the continent.
- **52.8%**: Percentage of Fairtrade Organizations that CLAC represents at the global level.
- **20**: Percentage of all Small Producers and Rural Workers that CLAC represents within the Fairtrade System.
- **3**: Latin American Countries among the top-ten Fairtrade small producers and workers number in the world (Peru, Colombia and Mexico).
- **24%**: Percentage of women among rural workers from private certified Fairtrade Plantations in Latin America and the Caribbean.

Fairtrade Certified Productive Sectors:
- Oil, Nuts and Seeds, Sugar, Banana, Cocoa, Coffee, Fresh Fruits and Juices, Dry Fruits, Honey, Wine, Quinoa, Crafts, Infusions, Aromatic Herbs and Tea, Vegetables, Flowers

- **316.100**: Small producers in CLAC member organizations.
- **12.600**: Rural Workers in Fairtrade Certified Private Plantations in Latin America and the Caribbean.
- **951.500**: Hectares of cultivated areas with Fairtrade Products in Latin America and the Caribbean.
## 2016 Financial Summary

### INCOME

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>%</th>
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<tbody>
<tr>
<td>Funds from Fairtrade International (FI)</td>
<td>$1,151,978.75</td>
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<td>Funds for Producer Services from Fairtrade International</td>
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<td>Funds for Investment in Coffee, Cocoa and Banana</td>
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<td>PIP Project - SWP</td>
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<td>TRIAS Project</td>
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<td>Fairtrade Finland Projects (Nicaragua, Guatemala and CLAC)</td>
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<td>Membership and Own Funds</td>
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<td>Progreso Foundation</td>
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<td>Remnant Budget from DFID Budget 2015</td>
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<td>Shared Interest Project</td>
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<td>Project with BTC</td>
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<td>Budget DFID 2016</td>
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<td>LIDL Project (Bolivia)</td>
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<td>Project SWP - Max Havelaar Netherlands (Juice)</td>
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<td>Max Havelaar Switzerland (Activities for Strengthening Gold Organizations)</td>
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<td>Fairtrade Germany</td>
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<td><strong>TOTAL INCOME</strong></td>
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### EARNINGS

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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Field Staff, Travel Expenses, Field Activities (workshops, trainings, exchanges, participation in fairs, etc.)</td>
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<td>MEL Activities</td>
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<td>Administrative Expenses and Administrative Staff</td>
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<td><strong>SUBTOTAL EXECUTED</strong></td>
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<td><strong>TOTAL EXPENSES</strong></td>
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From National Networks

The National Networks are very important within CLAC, since they constitute the institution’s operational strength. National Networks are made up of organizations of fair trade small producers in each country, independently of what they produce. Thus far, CLAC has 14 legally-constituted National Networks, specifically in Mexico, Guatemala, El Salvador, Nicaragua, Costa Rica, Dominican Republic, Haiti, Peru, Brazil, Colombia, Bolivia, Chile, Paraguay and Ecuador. It is important to point out that National Networks maintain their own processes, structures and decision-making.

In this section a summary of the main activities of each Network is provided:

**MEXICAN NATIONAL NETWORK OF FAIR TRADE SMALL PRODUCERS**

During 2016, the Mexican National Network of Fair Trade Small Producers held two general assemblies, with participation by 45 organizations.

The Network conducted 20 events associated with coffee, juices, agave, honey and avocados, and in relation to the following cross-cutting areas: children’s protection, gender, youth inclusion, climate change, organizational strengthening, production improvement, risk management and impact. A total of 147 organizations, 109 women and 533 men participated.

An evaluation of the “Monitoring Climate Change” project in the Tiemelonla Nich Klum organization indicated positive results, specifically: training in production technologies for mitigating effects of climate change; and 125,000 plants from nurseries to established in land plots.

- Preparation of a Situational Diagnosis with regard to Climate Change.
- Updating standards for the 35 organizations participating in the Network.
- Tours for exchanges with 13 organizations regarding topics of adopting organic and agroecological technologies.
- Training in Risk Management in Coffee Production, Jos Algra.
- Studies: Sustainable Production Costs (COSP) with 5 SPOS, and development, strengthening and resilience with 5 SPOS.
- Cross-Cutting Commission was created: Gender, Youth Inclusion, Children’s Protection.
- Impact to Integrate the Polytechnic University of Huatusco (Universidad Politecnica de Huatusco) in the Latin American Universities for Fair Trade Campaign.
- National Conference for Producers of Citric Fruit for Juice.
In 2016 the Guatemalan National Network of Fair Trade Small Producers (CGCJ) implemented the COI 7.0 Accounting system, facilitating improved, timely accountability to CLAC and other entities.

The Network has not only served as a platform for representation, but it also advocates for economic resources and channels them to its base-level organizations, allowing them more empowerment. With the aim of organizational strengthening, the Network has facilitated a process of developing relations with entities in the country’s private sector and has also worked toward reactivating the inter-institutional commission.

Women’s participation in economic and social life has increased, and women now hold leadership positions in local boards of directors.

Three years after the FT Fin-CLAC Project was implemented, plans for restoring Guatemala’s primarily organic coffee fields have been reinforced.

In 2016 the El Salvador National Network (CESPPO) excelled in its strengthening processes and, together with its base-level organizations, concluded a three-year project with the Belgium organization TRIAS. It also contributed to developing new projects with TRIAS for the 2017-2021 period, and obtaining support for developing the PDI of El Sunza with assistance from Ben & Jerry’s.

A business diagnostic assessment was conducted, resulting in a mapping of the current situation and the production, economic, social and environmental needs of cooperatives, and providing guidelines for the work and the path that cooperatives should take.

As a result of the support provided by CLAC, the Network has reinforced its capacity to seek out new markets and buyers for its products, and to promote integration between the sugar industry, sugar cooperatives and CLAC, as a facilitator of processes, thus making it possible to increase the level of collaborative work in this sector.
During 2016, in terms of productive activity, the work carried out by the Network was very intense, depending primarily on funds from the FT Finland project, complemented with IICA/Family agriculture funds for developing field schools and demonstration plots, promoting organic input production and establishing coffee varieties with good “cupping” quality. Eighteen organizations obtained the production promotion service, establishing 152 nurseries and producing 162,000 plants of coffee varieties that assure coffee quality. A total of 50 manzanas (1 manzana = approximately 1.7 acres), in the hands of 358 producers (36% women) were renewed.

The methodology used in the field schools was to learn by doing and teach by demonstrating. Community workers, land plot owners and producers were trained in seven sessions. There were 61 participants (39 men and 22 women).

The following cross-cutting areas were addressed: child labor, integration of young people, gender and climate change.

In the area of child labor: awareness-raising and training on children’s protection was conducted with 10 coffee SPOs, who made a commitment to work on children’s protection policy during 2017. Integration of young people: a diagnostic assessment was conducted with two focal groups of young people from the San Juan de Río Coco and Matagalpa territories, to gather some preliminary ideas on opinions and situations for integrating youth. Gender: in the area of production, it was assured that 100% of demonstration plots were in the hands of women producers. Women’s participation was also assured in the constitution of the Assembly of Delegates and the Board of Directors, with 36% and 40% participation, respectively. Climate Change: a pilot project was implemented to validate a prototype for measuring climate variables, air and soil temperatures, soil and air moisture, and light intensity and pH. The immediate results of this project were 20 lascar, equipment for measuring climate variables; and a mobile laboratory for soil analysis; plus the technical capacity-building of technicians in 16 organizations, specifically in using equipment and interpreting results. Organic production was promoted, contributing to improvements in facilities for producing organic inputs in two SPOs, while 14 SPOs installed and began operations of basic micro-factories for producing inputs to supply partners, in accordance with the business plans presented by each of the SPOs.
2016 was a crucial year for bringing visibility to the alternative proposal for promoting and developing a fair trade movement in Costa Rica and Panama, and also for developing the Local Fair Trade Markets project in conjunction with CLAC, IICA and CNCJCRP. During 2016 most of the activities programmed in the project’s contents were conducted in Costa Rica and Panama. Some examples are: market research for Fair Trade products; participation in the most important national fairs in both countries, with commercial actors interested in Fair Trade products; trainings and workshops for building the agro-business capacities of SPOs who are beneficiaries of the project in Panama and Costa Rica; and production of audiovisual, digital and printed material. The goal of these activities was to give an impulse to Fair Trade awareness-raising and promotion at local and national levels.

During the 30th annual Sintercafé event, the Network presented its Report on its Project for Promoting Costa Rica’s Fair Trade Coffees in high-quality international markets, in partnership with CLAC, the Costa Rica Association of Fine Coffees, Fairtrade International, and CNCJCRP. The project promotes the presentation of a selection of the best coffees from eight Costa Rica Fair Trade SPOs at the world’s most important international coffee fairs.

The Colombian Initiative’s Board of Directors, in line with mandates from its General Assembly, manages and strengthens its processes and relations with allies in the public and private sectors, beginning with the development and strengthening of its own organizations in socio-organizational, public policy and trade topics, and with universities, mayors’ offices and private entities.

Particularly worth mentioning are the training and practice sessions in organic production held in 2016, with CLAC’s support. The project’s goal—and a goal of the overall Colombian Initiative—is to implement production systems for mitigating effects from climate change, and this is a long-term goal. The Initiative organized these activities especially for banana producers in the Magdalena region, and in addition, it carried out three activities for exchanging experiences and knowledge with coffee producers in Colombia’s southern region.

Another important Colombia Initiative project to highlight is the Public Policy Impact project conducted in 2016 with three physical and five virtual work sessions. The project’s aim is to build a road map in alliance with the UNIMINUTO-Bogota University, together with expert Raquel Oses and representatives from the Colombian Initiative’s member organizations.
Of the activities carried out in 2016 by the Ecuadorian Fair Trade Network, especially important to mention are the following activities in the area of impact:

- Support for the cities of Quito and Riobamba to be recognized as Latin American Cities for Fair Trade;
- Support for the Universidad Tecnológica Equinoccial de Quito (UTE) to be recognized as a Latin American University for Fair Trade;
- Active participation in developing the Ecuadorian Fair Trade Strategy;
- Celebrating Fair Trade Week with the aim of promoting its organizations and products within Fair Trade cities and universities;
- Hiring a consultant to conduct a pre-diagnostic assessment of the impacts, mitigation and adaptation to climate change characterizing Fair Trade SPOs in Ecuador, with the purpose of gathering important information for SPOs’ political impact work in relation to the State.

And in the area of generational transition, the following activities are worth highlighting:

- National Committee on Generational Transition was formed;
- Leadership school created, with six modules on capacity-building, accompanied by observation visits;
- Second National Youth Conference and youth participation in Latin American events focusing on youth working for fair trade;
- First National Gender Conference, with the forming of a committee.

CECJ legally registered six new SPOs as members, with the country’s Ministry of Agriculture (MAGAP).

In 2016 the Bolivian Network obtained legal status with the Bolivian State. In addition, it was recognized by the Vice-Ministry’s Office for Domestic Trade and Exports as the entity representing Fair Trade Small Producers’ Organizations in Bolivia.

In the area of organizational strengthening, it is worth highlighting the following: participation by one of the Network’s young people at the First Youth Fair Trade Conference, held in San Salvador; the creation of networks by product (coffee, quinoa, cacao, chestnuts and crafts); the designing of its political impact strategy; the approval and launching of the youth project “Leading Adaptation to Climate Change in Fair Trade Coffee in Bolivia” (a CLAC – LDIL – Fairtrade International agreement); and the proposal and approval of a project (Quinquenal) with SOSFAIM of Belgium, focused on CNCJ-Bolivia’s Visibility and Institutional Strengthening.

Lastly, one of the challenges for the Bolivian Network is to prepare and hold the First International Fair Trade Conference, in coordination with International Fair Trade Day, and the approval of Bolivia’s Fair Trade standards.
CNCJ-PERU carried out a range of activities in 2016, with support from CLAC, TRIAS, Fairtrade Finland, FLO International and national allies such as the University of San Marcos, National Coffee Board, and National Banana Board. Benefitting directly from these activities were 1,484 persons, including 392 women and 444 youth.

The Network would like to highlight the following activities:

Five workshops, consisting of two national workshops in Lima, and three regional workshops in Jaén, Pichanaki and Cusco, attended by Presidents, Managers, and Trade Coordinators from coffee SPOs, for the purpose of analyzing issues and proposals related to the fair trade market.

Training and promotion of youth leaders in coffee and banana SPOs, with participation in international workshops and events, such as CLAC’s Latin American Conference held in San Salvador, TRIAS’ International Youth Conference held in June in Rio de Janeiro, Brazil.

Participation in two regional conferences on youth and women in fair trade, conducted with coffee producers in the Junín region and banana producers in the Piura region in October, and an international conference held in Piura in November, opening up spaces for exchanging ideas and generating proposals for generational inclusion and gender equity in SPOs, CNCJ-PERU and CLAC.

Specialization in Human Talent Management course, providing training to 22 Human Resources leaders and coordinators in coffee SPOs, beginning in July 2016 and to continue in 2017.

Establishment and membership in a Labor Dialogue Working Group, to resolve workers’ demands, with joint participation by representatives of SPOs and the trade union.

Development of commercial profiles for 150 Fairtrade-certified SPOs, to update directories and incorporate new SPOs in CNCJ-PERU.
During its first year of operations, the Chilean National Fair Trade Network carried out numerous activities aimed at strengthening its member organizations, and thus, its producers and workers. Following are its primary activities:

- Celebration of International Fair Trade Day, with a talk by CLAC officials, small producers’ organizations that been successful in Fair Trade, and representatives from the Agricultural Development Institute in the country’s Ministry of Agriculture.

- Launching of the Node Corfo Program in the Ministry of Economy, in support of CNCJ-Chile’s operations.

- International Fair Trade Seminar, Curicó, with assistance from public and private entities such as INDAP, PROCHILE, Corporación Desarrollo Regional Productivo del Maule, SERCOTEC, Consejo de Cultura y las Artes, Social Economic Division of the Ministry of Economy, Regional Board Members, representatives of federal legislators, mayors from national municipalities, Autonomous Universities of Chile, and the Catholic University. There was a significant quorum of 250 persons, including small producers, micro-businesspeople and representatives of public services. Those making presentations included 18 foreign clients from Belgium, Sweden, Finland, England and Austria, and in addition, CLAC’s President and Executive Director.

The Paraguayan Network was created in 2016 and is composed of nine organizations of Fairtrade-certified small sugar cane producers. A series of training opportunities were conducted throughout the year, facilitated by CLAC operations personnel, with the aim of strengthening organizations in topics such as impact, new standards and criteria for sugar cane, how to prepare FODA, and the Annual Operations Plan. A pre-audit technical team was established to provide technical assistance to organizations requesting such.

At the political level, it is important to mention that the Network belongs to the Fair Trade Forum; it has developed relations with central government entities such as the Agricultural Vice-Minister’s Office and the Taxation Vice-Ministry’s Office, and FAO Paraguay, where a family agriculture commission has been established. The Network also works in alliance with Paraguay Organic and the Paraguayan Chamber of Organic Producers (Cámara Paraguaya de Productores Orgánicos—CPROA).

The Network also attended EXPO MAG, with participation by producers and experiences in agriculture and livestock from around the country.
During 2016 the Dominican Republic Network organized visits to over 70% of its SPOs and 100% of its certified plantations. It achieved 100% participation in workshops held, demonstrating the commitment of producers and workers to strengthening and training, exchanging of experiences and good practices.

The Network participated in consultations: COSP cacao and bananas, LMP; and in studies and projects (household surveys and TCA).

The Network provided advisory services and worked on the migration problem through its impact project; it developed an educational program for learning about and improving compliance with labor standards and social protection in banana plantations.

The Network accompanied processes for undertaking new challenges such as “Schools for fair trade.”

In the area of PRODUCTIVE STRENGTHENING: there were advances and improvements in increasing productivity and soil enhancement through the PIP Project.

In the area of SOCIAL COMPLIANCE: training was provided in children’s protection through developing policies and carrying out phase 1 of the pilot project on children’s well-being.

In the area of GENDER: conferences and workshops were conducted with women producers who have large-scale operations and women leaders.

Through these experiences, many lessons were learned, making it possible to continue to consolidate Fair Trade in the Dominican Republic.

2016 has been a year with major challenges and changes in direction for this Network. The new Board of Directors, which began its work in March 2016, introduced its proposal for a more independent National Network. In addition to its strategic lines of work, the Network focused on trade issues that affected producers significantly in 2016 and in evaluating the work completed since the Network was formed in 2012.

The Network’s high-priority activities in 2016 included: participation by some member organizations in Coffee Fairs (SCAA, SCAE and SCAJ) with CLAC support; follow-up to the Universities for Fair Trade campaign, with support from the CLAC team; and implementation of the management project on production costs with producers in ACAFED, a coffee association in Minas Gerais.

BRFAIR also supported some of the activities carried out by CLAC’s operations team, such as the Seminar on Juices, with the objective of providing follow-up to the activities proposed in the Fairtrade/CLAC Juices strategy, and also training on Fair Trade standards for Fairtrade orange juice organizations, with the aim of improving the interpretation of criteria and exchanging experiences among participants.

For the third year, the Network participated in International Coffee Week, with a coffee tasting session and the Second Competition for BRFAIR Fairtrade coffees, also supported by CLAC. With the objective of the Network’s internal strengthening and development, the new board of directors promoted an activity it considered to be the most important in 2016: a Workshop on Leadership and BRFAIR historic memories, with participation from 22 member SPOs. The goal was to recall the Network’s trajectory, and to evaluate, align and give impulse to a new path for 2017.
The climatological adversities experienced in the country (Hurricane Matthew, intense rains, flooding, etc.) directly affected harvests in rural areas, and generated a situation of food insecurity that impacted nearly 30% of Haiti’s population, according to an FAO report. However, despite this situation of severe uncertainty, the Haiti Network managed to hold a number of trainings for strengthening organizations, focused primarily on increasing coffee and cacao productivity, and it then carried out an awareness-raising campaign prior to preparations for the harvest season.

The Network assisted organizations in preparing for audits and in developing corrective measures. It also provided assistance to new organizations with new products (moringa) and with interest in becoming Fair Trade certified. The Network also provided follow-up to the recertification of the FECCANO cacao organization, facilitating procedures initiated with FLO-Cert.

The Network also worked on trainings on social compliance and gender through diverse workshops addressing children’s rights, and empowering women producers directly as leaders in their organizations in the areas of education and training.

Representatives of the Network participated in national and international conferences, in which they exchanged experiences and learned from other organizations’ Good Practices to improve trade, open up new markets, and of course, increase productivity. All of these lessons have assisted in strengthening the Network, which hopes to continue to strengthen Fair Trade in Haiti.
Latin American and Caribbean Network of Fair Trade Small Producers and Workers

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