



Table of Contents

Message	from Boa	rd Chair:	Carlos Br	ando	4
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Message from appointed Board Chair: Adriana Mejía 5

Message from Executive Director: Annette Pensel 6

GCP in Numbers 7

Vision and Mission 8-9

GCP 2030 Goal 10-11

Theory of Change 12-13

Membership Matters 14-15

GCP Board 16-17

Membership Engagement 18-20

Partnerships 21

Global: Collective Action Towards 22-29

Sustainable Sourcing

Local: Collective Action Plans 30-45

for Farmer Prosperity

Finance Overview, Cost Centers & Budget 46-49

GCP Membership 50-51

Global Team 52-53

Farewell Message from Board Chair Carlos Brando

2023 marked the growth of GCP in meaningful ways – internally and externally. A kick-off fund was created to support the stand-up phase of the new strategy towards the 2030 goal, results were achieved from local actions through ongoing GCP Collective Action Initiatives, goal-oriented GCP Collective Action Plans for each of the six countries to drive farmer prosperity were detailed, and key partnerships for impact were consolidated.

But this theme of growth – not only in the number of GCP Members, but also the influence the platform has on the sector – began long before 2023. Thanks to GCP's track record, the construction of which the GCP Board has guided and the local and global teams have carried out, I am honored to look back on our journey, having chaired the board for the past six years of this growth, development, and action.

2019 was an important year, marking the development of GCP Collective Action Initiatives, important decisions on what would become the annual Collective Reporting on Sustainable Coffee Purchases by roasters and retailers, and actions to develop sustainability indicators. It was a year in which GCP made clear strides towards its mission of promoting the sustainability of the coffee business with emphasis on smallholder growers. The challenges of the global pandemics rendered 2020 and 2021 to be years of reinvention. While a new strategy was designed, GCP undertook an in-depth review of the Baseline Coffee Code, followed by a broad public consultation and robust update. This culminated in the code being rebranded as the Coffee Sustainability Reference Code in 2021 to reflect its fit-forpurpose and accessible format. The review of the GCP Equivalence Mechanism took place in 2022, with subsequent assessments of sustainability schemes to be recognized by GCP in 2023.

In 2022, the new strategy to achieve the GCP 2030 Goal was further developed: the Country Platforms' local teams, under the guidance of the Secretariat, consultants and with key input from GCP Members and local stakeholders, designed entrepreneurial multi-year plans with specific targets. At the global level, the Secretariat with the support of the Board created a "GCP 2.0 kick-off fund" along with the strategy and structure to resource and execute GCP's expanding scope of work.

This started to happen in 2023: GCP was ready to move up to a higher level of relevance through the new strategy with a focus on Collective Action in coffee-producing countries.

Reflecting over these years, I believe that chairing the GCP Board is a blend of facilitating and providing strategic guidance for the executive team to develop the organization. The GCP Board is composed of high-level leaders of companies and organizations that are directly or indirectly involved with the coffee supply chain and who have business relationships with each other. I am most proud of being able to have the Board think and act as GCP – collectively – and, together with global and country teams, move the platform into a new path for coffee sustainability.

Having led a process that consolidated GCP's foundations, ensured growing membership and new partners, developed a new strategy with a clear focus and measurable results, and started a new phase for GCP, which has been successfully kick-started mid-2023 with more than \$1.5 million kick-off funding towards GCP's ambitious goal, I am convinced GCP – through its membership and country platforms – is ready to move into focused implementation.

It is therefore an opportune time to hand the reins over to Adriana Mejía, who I know will hold them with as much energy and care as I did. I am pleased to support the GCP Board for the remainder of the year in an advisory role to facilitate a smooth transition at a time when GCP has set ambitious goals and has great challenges ahead.

As GCP, we are united in the belief that coffee sustainability is a shared responsibility. It is the very reason for our existence: to accelerate farmer-centric collective action for collective impact at scale. It is now time to step up our engagement and co-investments to attract larger public cofunding. Together, this will enable delivery of our plans towards our ambitious goal of transformational change for one million coffee growers.

In closing, I want to leave here my gratitude to everyone involved with GCP for the support, collaboration and advice that has made the challenge of chairing the GCP Board enjoyable. I will miss you!





It is with a deep sense of humility and honor that I address you today as the GCP Board Chair. Our journey together is marked by an unwavering commitment to the prosperity of coffee farmers, sustainability in our industry, and a relentless pursuit of innovation. With this shared dedication, we stand poised to achieve remarkable milestones as we stride towards our ambitious 2030 goal.

Just as a perfect cup of coffee blends various flavors to create a harmonious taste, our collective impact relies on the unique contributions of every stakeholder. By harnessing the strengths and expertise of each member, we can collaboratively deliver tangible actions that will drive a prosperous and sustainable coffee sector.

The passion and dedication of our community serves as the driving force behind our endeavors, propelling us towards our shared vision of a vibrant and resilient coffee industry. At GCP, our commitment to advancing sustainability and enhancing farmer prosperity sets us apart as a beacon of innovative collaboration. Through the collective efforts of stakeholders worldwide, we will tackle the most pressing challenges and seize opportunities for growth and development.

Under the exemplary leadership of my predecessor, Carlos Brando, and the dedication of our esteemed board members, GCP has laid a robust foundation for continued growth and impact. The board's guidance has been instrumental in shaping our strategic direction and fostering a culture of excellence within our organization.

Building upon this legacy, my vision is to amplify our efforts and expand our reach. The GCP Country Plans for Farm Prosperity exemplify our commitment to tangible results, with promising outcomes already evident in our Annual Report. I am eager to witness the further expansion of these initiatives, empowering coffee growers and bringing us closer to our collective vision.

As we look to the future, it is imperative that we embrace innovative approaches to collective action, co-responsibility, and co-investment. My focus is on translating dialogue into decisive action, with a keen emphasis on scalability and long-term sustainability.

I pledge to work tirelessly, with unwavering dedication to the prosperity and profitability of coffee farmers and the sector as a whole. Together, we can empower growers with the resources, opportunities, and support they need to thrive in an ever-evolving landscape.

I urge each of you to join us in our journey towards a more sustainable, profitable and prosperous coffee sector. Let us not merely aspire for change but actively work towards it with conviction and determination. Together, we possess the power to shape the future of coffee, uplift farmers' livelihoods, and make a meaningful impact on communities worldwide. Together, we can transform our shared aspirations into tangible outcomes that will leave a lasting legacy of positive change.

As we stand united in our commitment to the goals and values of the Global Coffee Platform, let us draw strength from our collective diversity and experiences. Let us harness the lessons learned from our past successes to fuel our determination to overcome the challenges that lie ahead.

Message from Executive Director **Annette Pensel**

Thanks to hard work, commitment, and essential support from the team, board and - crucially - GCP Members along with strategic partners, 2023 saw the conclusion of the stand-up phase of GCP's strategy and the launch of measurable improvements for farmer prosperity and coffee sustainability.

From overwhelming membership endorsement to the development of the new strategy and now onto resource mobilization and execution, collective action is underway to reach our shared goal.

Results have already been achieved – most notably from investments in capacity, enabled through the \$1.5 million kick-off fund raised by eight leading GCP Members, and capability - most notable in the shaping and implementation of the GCP Collective Action Plans for Farmer Prosperity in Brazil, Honduras, Indonesia, Kenya, Uganda and Vietnam.

Examples of GCP Collective Action Initiatives are providing proof of concept of this innovative public-private coinvestment model, which was designed to address key issues collectively in ways that results can be replicated and scaled. One such example comes from Uganda where the GCP Collective Action Initiative – Ugandan Youth for Coffee saw additional partners join after commencement, having been encouraged by the visible progress and clear potential. The initiative has now been integrated into the GCP Collective Action Plan for Farmer Prosperity for Uganda, which aims at reducing the Living Income Gap of 125,000 smallholder coffee farmers in Uganda by 15% by 2030. With public co-funding also provided by Partnerships for Forests, 75 youth business units were already reaching over 16,000 farmers, with over 300,000 coffee trees receiving rehabilitation services. Complementarily, the Uganda Coffee Platform convened public and private stakeholders, resulting in a taskforce to support EUDR and CS3D readiness.

At the global level, GCP's Sustainable Sourcing Approach saw the increased use of GCP Tools including the Coffee SR Code, the Equivalence Mechanism and GCP Collective Reporting on Sustainable Coffee Purchases.

Sixteen sustainability schemes were recognized by GCP as equivalent to the Coffee SR Code either 3rd Party or 2nd Party assurance in 2023, representing a critical alignment on the foundations of coffee sustainability. This in turn has given GCP's roaster and retailer members wider options to increase demand for sustainable coffee, and transparently report in the GCP Snapshot Report on Sustainable Coffee Purchases. The 2022 volumes resulted in over 70% of sustainable coffee purchases out of more than 36 million bags.

To help guide us on our journey, GCP updated its theory of change. We invite you to explore it to learn more about our strategy and how we expect change to happen, and the tools we'll be using to track our progress.

GCP's convening for collective action on coffee sustainability has not gone unnoticed as can be seen from the growing membership, steady increase in members' active involvement, as well as new and renewed partnerships, including with strategic partners such as the International Coffee Organization.

GCP is uniquely positioned as the only global coffee sector association that is building a collaborative, actionable framework on coffee sustainability, and addressing sustainability gaps in coffee-producing countries in partnership with growers, traders, governments, industry, associations and NGOs. Improvements to coffee farmers' income, connected with practical solutions to climate adaptation and mitigation, deforestation, pesticides, working conditions and other challenges must be bottomup, locally owned, leading to resilient farming systems. Combined with adequate market pull for sustainable coffee, and driven as part of a broader, public-private transformational agenda, our industry is enabled to meet increasing regulatory requirements and consumer demand while securing the future viability of the coffee business.

Our focus for 2024 is resource generation and execution. This will only be possible through GCP Members' coinvestments and public co-funding, the foundations of which we saw in 2023. I am excited to see how much further GCP Members can accelerate collective action and what can be achieved next!

GCP in Numbers

\$1.5 mil.

Kick-off funding

Scale

Local

New partnerships

6

National Coffee Sustainability Platforms Z

National Sustainability Curricula for Coffee

6

GCP Collective Action Plans for Farmer Prosperity

2





Living Income Studies

16

Sustainability schemes recognized by GCP as equivalent to Coffee SR Code

Global

Coffee SR Code:
Pesticides Lists updated

8

Members Reporting on Sustainable Coffee Purchases 26+ mi

Collective Reporting 2022: bags sustainable coffee purchases

135

GCP Members

Membership

37

New GCP Members across the coffee value chain

16

Members in the Pesticide Action Group

+120

Participants at GCP Member Assembly in-person and online



Global Coffee Platform (GCP) is a multi-stakeholder membership association dedicated to advance coffee sustainability towards the vision of a thriving, sustainable coffee sector for generations to come.

GCP enables coffee producers, traders, roasters, governments and NGOs to align and multiply their efforts and investments, collectively act on local priorities and critical issues, scale local sustainability programs and grow the global market for sustainable coffee across the coffee world. United in the belief that coffee sustainability is a shared responsibility, GCP Members and its Network of Country Platforms work together to achieve transformational change on prosperity for one million coffee farmers by 2030.







LOCAL

GOAL

Collective Action for Farmer Prosperity

with Country Platforms, GCP Members and partners: where GCP is focused on making a change through aligning public-private agendas and acting on pressing sustainability issues pre-competitively and at scale



Brazil



Honduras



Indonesia



Kenya



Uganda



Vietnam



Transformational change on farmers' prosperity for more than one million coffee farmers in more than 10 countries.

GLOBAL

Collective Action Towards Sustainable Sourcing

with GCP Members: building tools and systems, nurturing cooperation, mobilizing resources and measuring progress to enable success at local level



Coffee
Sustainability
Reference Code



Equivalence Mechanism



Collective
Reporting on
Sustainable
Coffee Purchases

Theory of Change

GCP's Theory of Change illustrates how GCP's strategy is intended to produce a series of results that contribute to achieving transformational change for more than one million coffee farmers. It also explains the causal relationships between strategies, inputs, outputs, outcomes and goals, and outlines how changes are expected to happen. To learn more, please access our <u>Theory of Change Matrix</u>.

GCP's Theory of Change visualization is inspired by the coffee tree. Just as the coffee tree draws nourishment from its roots, GCP's work is rooted in its foundational assets and its distinct role within the coffee sector. The roots of the coffee tree symbolize GCP's assets and tools including the Coffee Sustainability Reference Code (page 24), Equivalence Mechanism (page 26), Collective Reporting on Sustainable Coffee Purchases (page 28), network of National Coffee Sustainability Platforms (page 30), GCP Collective Action Plans for Farmer Prosperity (page 32-45), National Sustainability Curricula, Coffee Sustainability Reports (pages 28-29) and GCP's role as convenor of the sector (pages 14-21, 50-51).

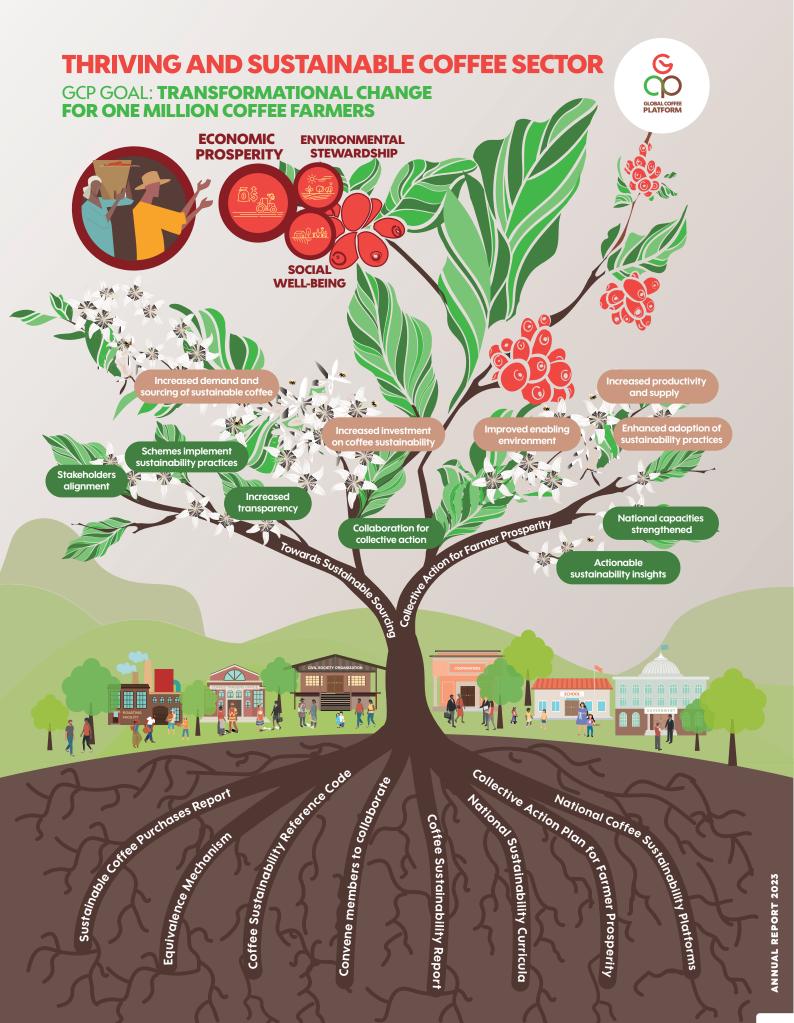
The coffee tree's trunk with its two branches represents the interconnected global and local parts of the GCP Strategy: Towards Sustainable Sourcing and Collective Action for Farmer Prosperity. The smaller branches symbolize the short-term outcomes resulting from GCP's work (e.g. increased transparency), while the flowers represent the intermediate outcomes (e.g. increased demand and sourcing of sustainable coffee). The culmination of these efforts is represented by the ripe red cherries, symbolizing the three long-term outcomes of GCP: economic prosperity, social well-being, and environmental stewardship.

In the final stage, the coffee bean housing the coffee farmers encapsulates the goal of GCP – bringing about transformational change for more than one million farmers in coffee-producing countries. Just as the coffee tree requires a diversity of factors to produce high-quality beans at optimum productivity levels, GCP relies on its diverse membership and local and international partners and stakeholders, symbolized by the buildings and people in the background. Their collective actions and mutually reinforcing activities contribute to the common agenda of transformational change.



Nazir Ul Haq

Monitoring, Evaluation and Learning Manager





2023 was the start of a new era of collective action in coffee sustainability thanks to the commitment of GCP Members. GCP kick-started the new strategy with a kick-off funding contribution of more than \$1.5 million, championed by eight of our leading members: JDE Peet's, Melitta Group, Mother Parkers Tea & Coffee, Nescafé, Nespresso, ofi (Olam food ingredients), Rabobank, and Westrock Coffee Company. This targeted funding allowed GCP to accelerate refinement of all six GCP Collective Action Plans for Farmer Prosperity at local level, bring dedicated fundraising as well as monitoring, evaluation and learning capacities on board, as well as start upgrades to backbone systems to better service GCP Members.

The kick-off funding was announced during the 2023 Member Assembly in Bonn in June. Over 120 participants from the vibrant and growing GCP Membership community – along with national coffee sector leaders from Brazil, Honduras, Indonesia, Kenya, Uganda, and Vietnam – came together to exchange, review progress and shape GCP's strategy.

During two deep-dive sessions, each of the six Country Platforms presented an overview of their country's coffee sector challenges, proposed solutions addressing farmer prosperity and coffee sustainability in practical, measurable ways, and the specific strategies to reach the respective country goal and ultimately contribute to the GCP 2030 Goal. GCP Members offered invaluable input and advice to further shape, resource and jointly implement these GCP Collective Action Plans for Farmer Prosperity at scale.

Complementing the local part of the strategy, the membership reviewed the global part of the strategy – Towards Sustainable Sourcing – and celebrated progress achieved through the increasing use of a common language for the foundations of coffee sustainability through the common GCP Tools: Coffee Sustainability Reference Code (Coffee SR Code), GCP Equivalence Mechanism and GCP Collective Reporting on Sustainable Coffee Purchases. The establishment of the GCP Roundtable was announced as a convening space for GCP Members from roaster and retailer segments to work together on expanding the use and drive further evolution of the GCP Tools to advance, grow the market for sustainable coffee, and eventually measure impact in aligned ways through their sustainable sourcing activities towards achieving the GCP 2030 Goal. Amongst the first activities of the GCP Roundtable in 2023, the hosting of the launch webinar of the 2022 Snapshot Report on Sustainable Coffee Purchases as result of Collective Reporting by GCP Roasters and Retailers was envisaged.





Membership Development in 2023

Total number of members for 2023
Total new members
% Growth compared to 2022

GCP Governance

During the final quarter of the year, GCP Members elected their representatives to the GCP Board. In 2023, nine seats were up for election: three seats for producer representatives, one seat for a trade representative, three seats for industry representatives and two seats for representatives of civil society organizations.

The results of the elections, announcement of new GCP Board Members (see current Board overview on the following page) and appreciation of the outgoing Board Members Juan Antonio Rivas (ofi) and Marcelo Burity (Nestlé) was made during a two-day online GCP Membership Assembly in December.



Caroline Glowka

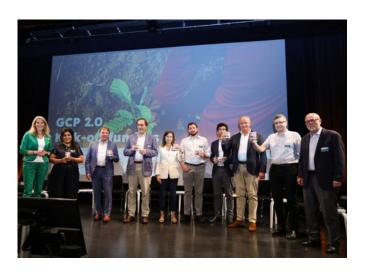
Senior Manager Member Relations



Mary Petitt

GCP Senior Advisor

As part of the GCP Strategy execution at local levels, GCP Members are invited to co-invest into GCP Collective Action in one, several or all six coffee-producing countries, and participate in country-specific advisory groups. Member representatives will advise and cross-consult on strategic direction, resource mobilization and successful execution for the respective GCP Collective Action Plan for Farmer Prosperity through the six GCP-affiliated Country Platforms.



GCP's governance process reflects its multi-stakeholder structure, which represents all relevant stakeholder groups directly involved in the coffee supply chain, namely producer organizations, trade, industry (roasters and retailers) and civil society organizations. GCP's governance bodies are the GCP Board and the Senior Management Team. The GCP Board is the operational and strategic decision-making body of the Global Coffee Platform, acting under the overall mandate and guidance established by the Membership Assembly. The Board is accountable to the Membership Assembly to ensure that GCP Members are well-represented.

The GCP Board consists of up to 16 seats filled by individuals from within the GCP Membership, on a voluntary basis. Thirteen seats are elected by the entire GCP Membership, for a three-year term, with the option for re-election. Of the total seats, four seats are reserved for producer representatives, two seats for trade, four seats for roasters and retailers and three seats for Civil Society representatives. Up to three additional individual representatives from like-minded organizations or other member groups (e.g. financial sector) can be appointed by the Board, complementing Board Member profiles and expertise. More details of the nomination and selection of the highest governance body can be found in the By-Laws of the Board of Global Coffee Platform.

The Board is supported by five sub-committees: the Nominations and Elections Committee, the Finance Committee, the Human Resources Committee, the Membership Committee, and the Technical Committee with appointed experts from within the GCP Membership. Additional committees or task forces can be established as needed (e.g. the Board Strategy Group).

The GCP Board provides oversight and advice to the Senior Management Team, monitors the performance of the Global Coffee Platform in assessing its compliance with the by-laws of its organs and against strategic performance and financial indicators determined by it. To this end, the Board receives reports from the Executive Director at least three times per year on strategic performance and financial indicators.

GCP's Senior Management Team is responsible for policy and management of the organization, directing GCP's day-to-day activities around the world. The Board Chair hires, leads and maintains a close relationship with the Executive Director.



Moenardji Soedargo

Vice President & Chief Operating Officer at PT Aneka Coffee Industry, Indonesia. Part of the HR Committee.

TERM: Elected 2021, first term ends 2024



Rafael Furtado Fonesca

Business Manager of Communication at Coomap and member of the Brazilian Coffee Producers Council.

Part of the Nominations and Elections Committee.

TERM: Elected 2020; Reelected in 2023, second term ends 2026



Dr. Joseph K. Kimemia

Former Chief Research Officer and Director, Planning, Performance Management and Quality Control at the Kenya Agriculture and Livestock Research Organization; consultant as coffee plantation specialist.

TERM: Elected 2020; Reelected in 2023, second term ends 2026





Deepak Kaul

Senior Vice President and Head Europe, Middle East, and Africa and India, Global Head Coffee Sustainability and Technology at Olam Food Ingredients.

TERM: Elected 2023, first term ends 2026



Teddy Esteve

Chief Climate Office at ECOM Agroindustrial Corp. He is a coffee farmer and a Board Member of various food and agro businesses. Part of Membership Committee.

TERM: Elected 2022, first term ends 2025

Observer



Vanúsia Noqueira

Executive Director at the International Coffee Organization since May 2022.







Daniele Buzzetti

Head of Strategy & Environmental, Social and Corporate Governance at Nestlé Coffee Brands.

TERM: Elected 2023, first term ends 2026



Christien Parrott

Director of Sustainability, Strategy, and Implementation at Mother Parkers Tea & Coffee.

Part of the Membership Committee.

TERM: Elected 2020; Reelected in 2023, second term ends 2026



Matt Smith

Executive Vice President, Commodities and Sustainability at Westrock Coffee, with focus in the areas of sustainability and commodity procurement and quality assurance.

Part of Membership Committee.

TERM: Elected 2021, first term ends 2024



Nadia Hoarau-Mwaura

Sustainability Director at JDE Peet's, tasked with the strategy and execution of the responsible sourcing program, Common Grounds.

Part of the HR Committee and Board Strategy Group.

TERM: Elected 2020; Reelected in 2023, second term ends 2026

Civil Society



Michelle Deugd

Sector Lead Coffee for Rainforest Alliance, providing strategic direction to the global work.

TERM: Elected 2020; Reelected in 2023, second term ends 2026



Andrea Olivar

Director for Strategy and Quality for Solidaridad in Latin America.

Part of the Finance Committee (Co-Treasurer).

TERM: Elected 2021, first term ends 2024



Bambi Semroc

Senior Vice President of the Center for Sustainable Lands and Waters at Conservation International.

TERM: Elected 2020; Reelected in 2023, second term ends 2026

Additional



Carlos Brando

Long and diverse experience in the coffee sector. He has been serving as GCP Board Chair for six years. His company P&A has coordinated coffee projects in more than 50 producing countries across five continents.

Part of the Nominations and Elections Committee, HR Committee, and Board Strategy Group.

TERM: Appointed early 2018, second term ends early 2024



Ric Rhinehari

Strategy Director Agri Commodities at IDH. He has been involved in the coffee and tea sectors for more than three decades, including as CEO of the Specialty Coffee Association until the end of 2019. He also serves as a Director at the COSA

TERM: Appointed 2022, first term ends 2025



Karel W. Valken

Global Head Agri Commodities at Rabobank. Responsible for Rabo's TCF Agri Units in 13 countries. He is also a Board Member of Progreso Foundation, active in coffee.

Part of the Finance Committee (Co-Treasurer), Board Strategy Group.

TERM: Appointed 2020; Reelected in 2023, second term ends 2026

Membership Engagement

GCP Members, as well as other important coffee stakeholders, actively engage in the work of the platform at global and local levels to advance coffee sustainability towards the GCP 2030 Goal. Certain information, tools and areas of GCP's work are open to the broader coffee community, such as the Coffee SR Code as sector-wide reference code, and the annual

Engagement

publication of the GCP Snapshot Report on Sustainable Coffee Purchases. Other areas are exclusive to GCP Members to access key insights, co-create, decide, and drive GCP's collective agenda and action forward. The visual below provides an overview of the current engagement opportunities.

Foundation

Sector

Opportunities Sharing responsibility Resource Members, mobilization for coffee sustainability Country and advisory **Platform** towards Partners, **GCP Collective Plans** Farmer **Donors** for Farmer Prosperity **Prosperity Towards Sustainable Sourcing** • GCP Collective Reporting on Sustainable Coffee Purchases · GCP Recognition of sustainability schemes • GCP Roundtable for Roaster and Retailers • Member Exchange Sessions (EUDR) • GCP Technical Committee • Pesticides Action Group **Country Platform Collaboration** • GCP Country Platform Network & Collective Plans Collective Action Initiatives Align and Members, (Brazil, Vietnam, Uganda) advance Invited • Six Country Platform Virtual Field Days enabling Special **GCP Member Assemblies** environments Guests **Coffee Sustainability Open-Source** Coffee

Reference Code

Empower GCP Members to accelerate collective action



During the foundational years of GCP, also known as "GCP 1.0", GCP created an innovative collective action model of pre-competitive collaboration in coffee-producing countries with public and private co-investments, grounded in local sustainability priorities and connected with the global GCP Membership as well as the Coffee Sustainability Reference Code. By the end of 2023, GCP Collective Action Initiatives in three coffee-producing countries have leveraged more than \$4.5 million, with encouraging first collective results. The new GCP Strategy is therefore going to scale this successful approach through GCP Collective Action Plans in coffee-producing countries to help deliver on the GCP 2030 Goal.

GCP Collective Action Initiatives act on identified and prioritized issues at coffee origins that critically affect coffee farmers. These go beyond a traditional supply chain approach by involving National Coffee Sustainability Platforms (Country Platforms), governments, the private sector including coffee farmer organizations, research, and NGOs. Results are shared among the local and global coffee community for scaling and replication at the field level and adoption into government and company policies, therefore contributing to an environment conducive to long-term sustainability.

Building on the success in the first years, GCP brings stakeholders together and joins forces with local coffee stakeholders to leverage their resources and expertise in multi-year GCP Collective Action Plans.

- Big issues hindering coffee sustainability and farmer prosperity are collectively addressed, leveraging existing structures and knowledge in coffee-producing countries
- Results are shared through GCP's network of Country Platforms and with the GCP Membership at global level
- Learning, scaling and possible tailored replication in further coffee-producing countries

Share risks
Harvest results
Scale learnings

Contribute to sustainability strategies and goals

Align with government priorities

Contribute to inclusive impact: coffee sustainability and farmer prosperity

GCP Collective Action through GCP-affiliated Country Platforms works with and through existing structures in coffee-producing countries, at pre-competitive level. Championed by GCP Members' co-investment combined with public co-funding to deliver measurable results and bring learnings and results back to the sector to learn, scale and replicate, ensures more effective and enabling longer-lasting change.

Current GCP Collective Action Initiatives

CO-FUNDING

GCP MEMBERS

JDE Peet's,

Nespresso.

ofi

Nestlé, Melitta,

GCP Member

co-funders:

JDE Peet's,

Cecafé; GCP

contributors: Ecom, ofi

JDE Peet's,

Nestlé, idh,

Louis Drevfus

Sucden,

Company

Pepper, Nestlé,

Member in-kind

Keurig Dr

Social **Well-Being**



Responsible **Use of Agro-**Chemicals



Brazil

Youth for Coffee



Uganda

Responsible Use of **Agro-Inputs** for Coffee



idh, JDE Peet's, Nestlé, Sucden Coffee, Neumann Kaffee Gruppe

CO-FUNDING **NON-MEMBERS**

Lavazza Foundation. Starbucks

BASF, Bayer, SENAR (in kind contributor), Syngenta, Tchibo

Partnerships for Forests, Abi Development

Lavazza Foundation,

Tchibo

PARTNERS INVOLVED

Co-

coordinators: Cecafé (GCP Member). Inpacto

CropLife Brasil, Ihara, National Institute for Processing Empty Packages (InPEV)

Ugandan Coffee Development Authority

Vietnam Coffee and Coordination Board (VCCB), Vietnam Coffee and Cocoa Association (VICOFA)

IMPLEMENTERS (TECHNICAL AND FIELD)

GCP Members: Comexim, Coocaminas, Coomap, Eisa, Nespresso, ofi, Exportadora de Café Guaxupé: non-member: Wolthers

GCP Members: Aprod, Atlantica, Comexim, Cooabriel, Coocaminas, Coomap, Eisa, Exportadora de Café Guaxupé, ofi; non-members: Emater-RO, Rural Development Institute of Paraná (IDR-PR)

GCP Members: Café Africa Uganda, Louis Dreyfus Company; non-members: Ankole Coffee Producers Cooperative Union, Just Know Your Coffee Cup, Uganda Coffee Farmers Alliance, Buganda Cultural & Development Foundation

GCP Members: ACOM, CABI, Central Highlands Center for Community Development and Climate Change Adaptation (CHCC), idh, Louis Dreyfus Company, Neumann Kaffee Gruppe, Simexco, Sucden; non-members: Community Development Centre (CDC), Agri-Logic, WASI, NAEC, Department of Plant Protection (DPP), VCC&C, Dak Nong PAEC, Intimex, Dakman

Partnerships

Partnerships are a crucial part of reaching GCP's 2030 Goal. Synergistic partnerships allow for resource sharing, innovation and problem solving, diverse perspectives and pre-competitive, collaborative effort. By combining resources, knowledge and focus on coffee sustainability as a shared responsibility, GCP's strong partnerships have bolstered progress toward the shared GCP 2030 Goal.

Suzanne Munson



Director of Partnership & Investment



Vision Zero Fund (VZF)

Importantly, GCP and the GCP-affiliated Country Platforms count on additional partnerships at national levels.

Global: Collective Action Towards Sustainable Sourcing

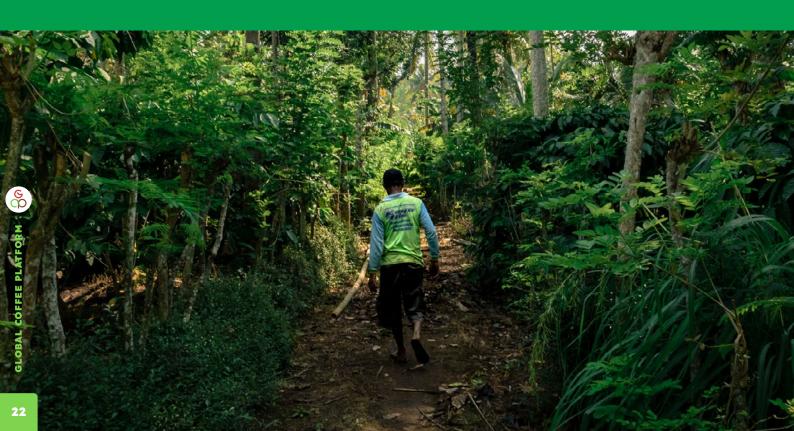
The global part of the GCP Strategy - Towards Sustainable Sourcing - focuses on fostering the supply and demand of sustainable coffee and increasing global investments to address sustainability challenges in the coffee supply chain in innovative, effective ways. To address the proliferation and increasing fragmentation of definitions, tools, standards and approaches for "sustainable/responsible coffee", GCP Members have been championing alignment, clarity and transparency through the development of a common language for the foundations of coffee sustainability. This common language is grounded in a set of foundational and interconnected assets that are being used to advance coffee sustainability in practical ways: the Coffee Sustainability Reference Code, the GCP Equivalence Mechanism and the GCP Collective Reporting on Sustainable Coffee Purchases.

Coffee sustainability improvements that benefit coffee farming communities at scale require a shared responsibility along the entire value chain and beyond – from farmer to government, trader to consumer. With GCP's strategy, members can use these jointly

developed GCP Tools in various ways that will enable the advancement of members' own sustainability strategies and targets to comply with regulations and to accelerate business opportunities. These tools also help the sector to align in the approach and articulation of sustainability, and the ways in which progress is measured and understood.

This Sustainable Sourcing Approach leverages GCP's pivotal role as a convener and facilitator for coffee sustainability within the global coffee sector. It is a dynamic process, as these assets are updated and refined regularly in collaboration with GCP Members, coffee-producing countries and strategic partners.

Through this work, GCP enables a level playing field for the foundations of sustainable coffee supply and demand, while pushing the bar towards sustainable sourcing in ambitious yet practical ways. GCP Members will continue to collectively shape this approach and the common tools to grow the market for sustainable coffees and eventually enable aligned measurement of progress towards farmer prosperity and coffee sustainability.

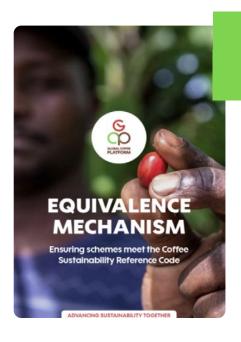






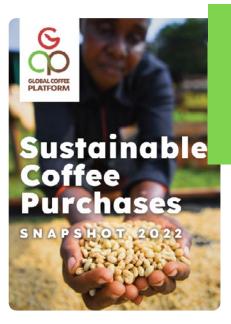
Coffee Sustainability Reference Code

A common language for the foundations of sustainable coffee production and primary processing.



Equivalence Mechanism

A framework to define and recognize credible sustainability schemes in the coffee sector. Sustainability schemes that go through the Equivalence Mechanism adopt at minimum the baseline sustainability principles and practices in the Coffee SR Code, as well as key operational criteria for their systems.



Collective Reporting on Sustainable Coffee Purchases

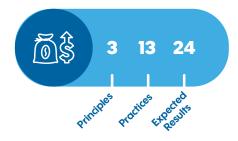
An aligned and credible way to monitor progress on sustainable coffee purchases by roasters and retailers. Sustainability schemes recognized by GCP are eligible to be included in this reporting. The results are published annually in the GCP Report on Sustainable Coffee Purchases.

Coffee Sustainability Reference Code

The Coffee Sustainability Reference Code (Coffee SR Code) is a framework that enables farmers, producer organizations and their business partners, as well as donors, NGOs, financial institutions, and governments to advance their coffee sustainability efforts, collaboratively and efficiently. Centered on the dimensions of economic prosperity, social well-being, and environmental stewardship, the Coffee SR Code outlines 12 principles, broken down into practices and expected results that describe baseline sustainability for coffee production and primary processing. Each dimension has a goal statement directly connected to the GCP Mission – farmers' economic prosperity, improved well-being, conservation of nature and the Sustainable Development Goals. The code also defines five critical practices: elimination of the worst forms of child labor, elimination of forced labor, no deforestation, no use of prohibited pesticides, and continuous improvement.

The code underpins GCP's work in tangible and tacit ways. It works directly with the GCP Equivalence Mechanism and GCP Collective Reporting and informs the Pesticides Action Group.

ECONOMIC



SOCIAL



ENVIRONMENTAL





Claire Mathieson

Communications Manager

Pesticides Action Group

The publication of the Coffee SR Code included two lists of hazardous pesticides, with the aim to eliminate those on the Prohibited List, and to reduce the use of those on the Phase-out List. A technical group, the Pesticides Action Group, was formed to identify, prioritize, share best practices and provide information on reducing, phasing out and eliminating damaging pesticides.

The Pesticides Action Group is an opportunity for GCP Members to collaboratively advance and support coffee farmers in the transition to less hazardous pesticides. In 2023, thanks to the work of the group, the List of Prohibited and Phase-out Pesticides was updated. This update balances the need to support the sector in the transition towards less hazardous pesticides while acknowledging the reality on the ground.

The changes to the GCP Prohibited and Phase-out Lists were informed by the views of the different stakeholders in the supply chain and ensure that the list remains relevant and fit to continue guiding the sector in the transition to less hazardous pesticides and towards collective action. The two main changes in the lists include the reclassification of some pesticides from the Prohibited List to the Phase-out List and the definition of two different timelines for the Phase-out List (2026 and 2030) depending on the feasibility of their phase out, amongst other criteria.

▶ Access the updated List of Prohibited and Phase-out Pesticides.

The group explores effective, feasible and financially viable alternatives to substances that must be phased out, and shares results with GCP Members, Country Platforms in coffee-producing countries and the broader sector. Results of this work support farmers in the transition to less hazardous pesticides and will be used to inform global and local sustainability programs/efforts on pesticides.

▶ <u>Meet the Pesticides Action Group on our website.</u>





The Equivalence Mechanism (EM) is a tool that helps stakeholders navigate the complexity of sustainability schemes in the coffee sector today. Through the EM it is possible to better understand which sustainability schemes meet - at minimum - the baseline practices of sustainability in a credible and efficient manner. The Coffee SR Code was published in 2021, after which the EM in 2022 with updated operational criteria. Depending on their assurance model, sustainability schemes are classified either as GCP Coffee SR Code equivalent 2nd party or 3rd party assurance. 2023 focused on the assessment and re-assessment of schemes under the EM 2.0, in partnership with the International Trade Center.

Sustainability schemes recognized by GCP in 2023

This year, the number of sustainability schemes recognized by GCP as equivalent to the Coffee Sustainability Reference Code either 3rd party assurance or 2nd party assurance grew to 16.

GCP's Equivalence Mechanism also entails assessment against a set of operational criteria that ensures a credible and effective system for implementation and includes governance, standard-setting, assurance, data and claims requirements. Two schemes have been recognized as equivalent - 3rd party assurance, and 14 schemes as equivalent - 2nd party assurance.

All sustainability schemes recognized by GCP are eligible for roasters and retailers to be included in the annual GCP Collective Reporting on Sustainable Coffee Purchases, another way companies are aligning and increasing transparency to advance coffee sustainability globally.

The EM, together with the Coffee SR Code and the GCP Collective Reporting on Sustainable Coffee Purchases, are connected assets developed by GCP to offer a common language on the foundations for coffee sustainability and promote the supply and demand of coffee produced following at least baseline sustainability principles.

Further rounds of assessment of additional sustainability schemes are planned for 2024.





GCP-recognized sustainability schemes equivalent to the Coffee SR Code

16 sustainability schemes were recognized by the end of 2023

2nd Party Schemes

4C

ECOM's SMS Verified

Rainforest Alliance Sustainable Agriculture Standard **Enveritas' Enveritas Green**

Exportadora de Café Guaxupé's Guaxupé Planet

Louis Dreyfus Company's Responsible Sourcing Program Advanced

Nespresso AAA Sustainable Quality™ Program Neumann Kaffee Gruppe's NKG Verified, and NKG BLOOM

ofi's AtSourceV, and AtSource+

Racafé's CRECER

3E® by RGC Coffee

Sucafina's IMPACT

Volcafe's Volcafe Verified, and Volcafe Excellence

What does it mean to be equivalent 2nd or 3rd party?

For their recognition, GCP assessed the different sustainability schemes against the principles and criteria in the Coffee SR Code and the operating practices that schemes should have in place to be considered credible and effective. Depending on their assurance model they are classified as GCP Coffee Sustainability Reference Code equivalent 2nd party or 3rd party assurance. 2nd Party assurance is often referred to as verification and 3rd party assurance is often referred to as certification. The main difference

between these two levels of assurance is that 3rd party assurance includes the independent oversight of the competency of the entity performing the assessments/audits to ensure effectiveness and impartiality, this includes but goes beyond third-party audits at farm level.



Gelkha Buitrago

Director Programs and Corporate Partnerships



The GCP Snapshot Report on Sustainable Coffee Purchases 2022 was published in September 2023. The publication provides insights on the sustainable coffee purchases of JDE Peet's, Julius Meinl, Keurig Dr Pepper, Melitta Group, Nestlé, SUPRACAFÉ, Tesco and Westrock Coffee, all of whom have committed to disclosing their responsible sourcing progress using aligned, comparable metrics. In doing so, these reporting GCP Members provide leadership to foster increased global production and consumption of sustainable coffees.

A share of over 70% of sustainable coffee purchases, more than 26 million 60 kg bags, was registered out of the total reported green coffee volume of over 36 million 60 kg bags. The GCP Snapshot Report on Sustainable Coffee Purchases 2022 also offered insights into origin diversity with sustainable coffee purchases received from 34 coffee-producing countries for the year.

Importantly, the report showcases remarkable growth in the number of GCP-recognized sustainability schemes, which have been assessed against the principles and practices of the Coffee SR Code, and the EM 2.0. A new feature in this 2022 report is the inclusion of short summary introductions of all GCP-recognized sustainability schemes, who were eligible for the 2022 reporting round.

While important work is underway, even bolder individual and collaborative efforts are needed to achieve transformational change. GCP looks forward to welcoming more roasters and retailers reporting in the upcoming GCP Collective Reporting on 2023 Sustainable Coffee Purchases.











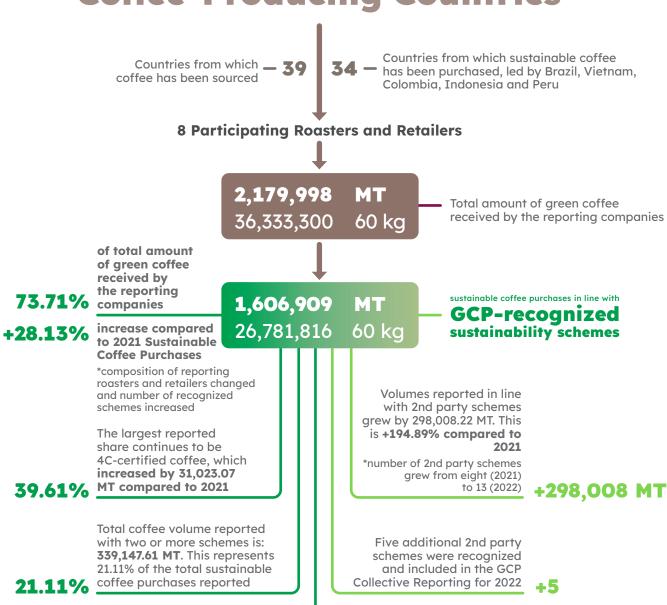








Coffee-Producing Countries



+54,759 MT compared to 2021

Access the full publication of the GCP Snapshot Report on Sustainable Coffee Purchases 2022

Volumes reported in line with 3rd party schemes grew by 54,758.97 MT. This is **+4.97%**

Our 2030 Goal

Transformational change on the prosperity of more than one million coffee farmers in more than 10 countries by 2030.





- Direct relationship with GCP
- Part of the GCP Learning and Exchange program

GLOBAL COFFEE PLATFORM $\,\,$

Local: Collective Action Plans for Farmer Prosperity

What are the GCP Collective Action Plans for Farmer Prosperity

The local part of the strategy focuses on how GCP works with its network of National Coffee Sustainability Platforms (Country Platforms) in six key coffee origins: Brazil, Honduras, Indonesia, Kenya, Uganda, and Vietnam. Underpinning the work are the GCP Collective Action Plans for Farmer Prosperity, multi-year pre-competitive programs that address the key barriers to farmer prosperity and sustainable coffee at origin in innovative ways.

Each GCP Collective Action Plan directly contributes to the GCP 2030 Goal by defining how much of the living income gap it will close and for how many farmers. The strategies within the plans align to the Coffee Sustainability Reference Code through the respective National Sustainability Curricula (NSCs) for coffee including improving farmers' capacities related to productivity, adapting to climate change, working conditions, regenerative agricultural practices, as well as addressing supply chain efficiencies and maintaining market access.

The GCP Collective Action Plans are important tools that align public-private agendas for farmer prosperity

as they build on the proven track record of the Country Platforms to align the national coffee sector to foster a more enabling environment for sustainable coffee. These GCP-affiliated Country Platforms are multi-stakeholder, national structures that play a leading role in identifying and addressing the most pressing issues facing the coffee sector. This is achieved through providing a space for local stakeholders to meet, discuss and learn from each other, and align positions – to then collectively act on policy advocacy, research and tool alignment, and/or joint activity implementation to support farmers.

Implementing the GCP Collective Action Plans for Farmer Prosperity via these Country Platforms builds on GCP's proven expertise in pre-competitive collective action to foster local ownership and transformational change. The Collective Action Plans advance and scale on the excellent foundations created by the NSCs and the GCP Collective Action Initiatives, which have demonstrated the positive results of what the sector can achieve, collectively.



Lauren WeissSenior Manager Countries

and Partnerships

GCP Collective Action Plans for Farmer Prosperity

Thriving farmers with resilient farming systems for a Sustainable Coffee Supply

Problem

GCP Members at work

> Strategies and Reporting

> Goal

Identified barriers that prevent coffee farmers from being prosperous and sustainable

- Achieved collectively
- Focus on farmer-centric, locally owned, precompetitive programs
- From piloting to scaling
- Implement prioritized activities through the Country Platform
- 2. Aligned to the Coffee Sustainability Reference Code
- 3. With KPI metrics to measure progress

Closing the Living Income Gap of farmers, to achieve transformational change / farmer prosperity

2023 Achievements – planning refinement & implementation kick-off

2023 was a turning point for the local part of GCP's Strategy, as it marked the finalization of preparing the GCP Collective Action Plans for Farmer Prosperity and the official kick-off of their implementation. After presenting the initial draft of the Collective Action Plans to the GCP Membership at the online Member Assembly in December 2022, GCP Members were invited to provide additional feedback for shaping the plans in the first half of 2023. During a members-only webinar in March and the in-person Member Assembly in June 2023, GCP Members were provided with more details and updates on the GCP Collective Action Plan for Farmer Prosperity and offered suggestions for improvements.

Simultaneously, the Country Platforms also gathered inputs on their respective Collective Action Plans at the national level – including GCP Members in-country, but also from the government and other key stakeholders. Together with the global members' feedback, these consultations allowed the Country Platforms to further refine the Collective Action strategies and develop the milestones for implementation.

Following the strategy kick-off mid 2023, the Country Platforms also began the initial steps of implementation in 2023, as further detailed for each country in the sections to follow. Such activities were made possible thanks to the contributions of GCP Members though the ongoing GCP Collective Action Initiatives, the strategy kick-off funding and cofunding from public sector donors, including BMZ/GIZ, IDH, ILO Vision Zero Fund, and Partnerships for Forests, a FCDO-funded initiative.

Scaling up

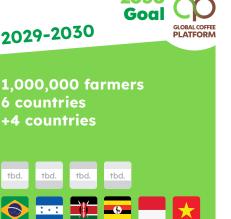
GCP Collective Action Plans implementation will occur over three phases, with 2023 having kick-started the first phase. After piloting the

interventions in this phase, the successful practices will be scaled up over phases two and three. During the third phase, GCP will expand the collective action work to an additional four origins to reach its goal statement of working with 10 countries.

GCP Collective Action Plans scale up towards GCP 2030 Goal on Farmer Prosperity

2027-2028

360,800 farmers





6 countries

Cross-Country Learning

While each Country Platform has its own GCP Collective Action Plan for Farmer Prosperity that is tailored to the specific context and challenges its coffee sector faces, being a part of the GCP Network of Country Platforms allows them to learn from each other to jointly address challenges. Through the online Learning & Exchange Series (with a total of 10 countries) and in-person events like the GCP Country Congress (held again for the first time in 2023 since the Covid-19 pandemic), Country Platforms benefit from cross-country, peer-to-peer exchange where they can learn from each other's experiences and benefit from best practices that they can apply to their own origins to improve the roll-out of their own plans.





About the Platform

NAME

Brazil Country Platform

ESTABLISHED

2012

PLATFORM MEMBERS

38

GOVERNANCE

National Advisory Board and Brazil Working Group

The two ongoing GCP Collective Action Initiatives in Brazil continued to demonstrate the fruits of collective, pre-competitive work, laying the groundwork for the GCP Collective Action Plan for Farmer Prosperity. A key milestone of the "Social Well-Being" initiative Collective Action Initiative is the Living Income Study, which was published this year. This important resource for the Brazilian coffee sector highlights the influence of climate change on farmer income and the need for an enabling environment and income diversification to ensure farmers remain prosperous.

The "Responsible Use of Agrochemicals" initiative continues to play a significant role in connecting GCP Members and partners in coordinated collective actions on the ground in Brazil. In 2023, over 4,500 coffee farmers benefited from training, field days, and events that helped to properly dispose of at least 55,000 empty agrochemical packages, distribute approximately 1,380 PPE kits to farmers, and build 128 agrochemical storage units on coffee farms, in the main Brazilian producing states. Actions promoted by the initiative also convened experts, field technicians, and coffee leaders from over 80 entities from different sectors of the coffee chain to dialogue and exchange on agrochemical-related topics.

The GCP Collective Action Plan for Farmer Prosperity for Brazil was presented to the broader sector during the International Coffee Week in Belo Horizonte, where over 600 coffee stakeholders joined a GCP-led panel. This also marked the beginning of the Brazil Working Group's discussions aligning on the concept of regenerative agriculture, which is foundational to rolling out the Brazil Collective Action Plan.



Pedro Ronca

Program Director



Production (MT)



Sustainable



Robusta / Arabica



Exports



Number of total coffee farmers



% of small farmers

Brazil: GCP Collective Action Plan



The **Problem**

- Climate change is a major threat
- Hurting productivity
- O Prevents farmers from earning a Living Income



Solution

√ Support resilient farming systems through sustainable farming practices, including regenerative agriculture



Goal

resilience to ensure farmer prosperity for 95,000 (up to 50 ha) by 2030

Strategies

Technical: Increase the adoption of Regenerative **Agriculture Practices**

Finance: Economic incentives to adopt Regenerative Agriculture practices

Market: Ensure access to national and international coffee markets

Support the enabling environment for sustainable coffee: strengthen the capacity of the **Country Platform**

Contribution to GCP 2030 Goal 9.5% of the one million coffee farmers





About the Platform

NAME

Plataforma de Café Sostenible De Honduras (PCSH)

ESTABLISHED 2021

PLATFORM MEMBERS 28

GOVERNANCE Coordination Committee

A key component of being a part of GCP's Network of Country Platforms is the opportunity to learn and grow collectively to achieve measurable impact on farmer prosperity. For PCSH, exchange with the Brazil Country Platform began in 2022 and deepened in 2023. A field visit to Minas Gerais in Brazil ensured hands-on experience for the delegation, which included GCP Members, key national coffee stakeholders and experts, including the Honduran Coffee Institute (Ihcafé). During the trip, the participants learned about ways to enhance productivity in mountainous areas, with similar conditions to the Honduran producers. After the study trip, discussions continued on how to adapt these practices to Honduras and inform the GCP Collective Action Plan for Honduras.

PCSH also worked to convene the Honduran coffee sector on key topics throughout the year. In addition to its Annual Member Assembly in March, website revision and creation of a monthly newsletter, the platform launched four working groups (economic, social, and environmental sustainability, and traceability). Each of these hosted webinars on pertinent topics, from gender to potential EUDR traceability systems.



Guillermo Alvarado

Country Platform Manager





Sustainable



Robusta / Arabica



Exports



Number of total coffee farmers



% of small farmers

Honduras: GCP Collective Action Plan



The **Problem**

- o 35% drop in production in the past four years
- O Poor performance of domestic market system
- O Farmers don't make enough income from coffee
- Lack of incentives to retain farmers



Solution

- ✓ Reduce labor costs adopt harvesting and processing technology
- √ Improve farmgate price
- ✓ Improve quality consistency & performance



Goal

gap by 50% for 80,000 smallholder coffee farmers by 2030

Strategies

- Improve production systems to increase labor productivity
- Transform business models to enhance supply chain efficiency
- Support the enabling environment for sustainable coffee: strengthen the capacity of the Country **Platform**

Contribution to GCP 2030 Goal 60 of the one million coffee farmers





About the Platform

NAME

Sustainable Coffee Platform of Indonesia (SCOPI)

ESTABLISHED 2015

PLATFORM MEMBERS 46

GOVERNANCE SCOPI Executive Board The GCP Collective Action Plan for Indonesia was presented to its membership during its annual Members Assembly in March. The plan received very strong approval from SCOPI members, with over 85% agreeing on the activities outlined.

This year, SCOPI together with GCP and co-investment by GCP Members piloted a collective and pre-competitive approach to tackling the challenge of sustainable agro-chemical use in the coffee sector. SCOPI conducted an agrochemical heatmap study of two herbicides and two pesticides across 18 districts. The heatmap study also highlights the importance of cross-country learning between Country Platforms, as SCOPI received considerable input through discussions with GCP Vietnam. The latter has done similar work on the responsible use of agro-inputs as part of their ongoing Collective Action Initiative.

Lastly, SCOPI continued to train its cadre of Master Trainers via a program with the International Islamic Trade Finance Cooperation. To complement these trainings, SCOPI also developed e-learning videos on the effective utilization of Trichoderma and Beauveria bassiana for environmentally sustainable coffee pest control. Through such videos, farmers have access to valuable information that can help increase their productivity while supporting more sustainable coffee production.



Ade Aryani Country Platform Manager





Sustainable



Robusta / Arabica



Exports



Number of total coffee farmers



% of small farmers

Indonesia: GCP Collective Action Plan



Problem

- Low productivity - 1/3 of Vietnam
- Lack of sustainable farming practices and access to info
- Climate change
- Excessive use of agrochemicals



Solution

✓ Implement GAPs and build climate resilience

✓ Maintain market access (i.e. Maximum Residue Limits - MRLs)



Goal

Gap by 10% for 126,000 smallholder coffee farmers by 2030

Strategies

- Improve sustainable coffee productivity & quality while building climate resilience
- Ensure the responsible use of agrochemicals to maintain access into international markets
- Support the enabling environment for sustainable coffee: strengthen the capacity of the Country **Platform**

Contribution to GCP 2030 Goal 12.6% of the one million coffee farmers





About the Platform

NAME

Kenya Coffee Platform (KCP)

ESTABLISHED 2018

PLATFORM MEMBERS 29

GOVERNANCE
National Steering
Committee

The KCP in 2023 made important strides on initial activities in its GCP Collective Action Plan for Farmer Prosperity thanks to the support of public donors. First in partnership with GIZ-GCP, KCP published the Living Income benchmark study for Nyeri County. The study identifies the Living Income gap and main barriers preventing smallholder coffee farmers from being more prosperous. These findings directly informed the strategies of the GCP Collective Action Plan to lay the groundwork for future KCP activities.

With the support of Partnerships for Forests (P4F), KCP commissioned a forest protection policy study that identified the gaps in the existing policies related to forest protection and agroforestry and offered recommendations. This study was pivotal for advancing the convening work KCP undertook in 2023, particularly in relation to preparing for EUDR. It also informed the revision of the National Sustainability Curriculum to include information on regenerative agriculture. This was accompanied by a pilot that trained 50 youths on regenerative agricultural practices and established a tree nursery. KCP also continued its pivotal role in convening public and private sector actors thanks in part to its partnership with IDH – culminating in the County Executive Committees' (CECs') Caucus meeting in December that discussed the recent Kenyan coffee sector reforms.



George Watene
Country Platform Manager





Sustainable



Robusta / Arabica



Exports



Number of total coffee farmers



% of small farmers

Kenya: GCP Collective Action Plan



The **Problem**

- 62% decrease in productivity in the past 30 years
- Climate change
- Inefficient cooperatives
- Misaligned efforts to address issues



Solution

- √ Increase productivity, diversification & agroforestry
- ✓ Price transparency & cooperative efficiency
- √ Align development efforts



Goal

Gap for 85,000 smallholder farmers by 25% by 2030,

Strategies

- Improve productivity and farm resilience
- Increase transparency to translate productivity increases into more income
- Support the enabling environment for sustainable coffee: strengthen the capacity of the Country Platform

Contribution to GCP 2030 Goal 8.5% of the one million coffee farmers





About the Platform

NAME

Uganda Coffee Platform (UCP)

ESTABLISHED

2006

PLATFORM MEMBERS 180

GOVERNANCE

National Steering Committee With support from public donors and GCP Members, the UCP began making progress this year on all three of its GCP Collective Action Plan strategies. As part of the strategy to improve productivity and farm resilience and with the support of IDH, UCP conducted trainings on the National Sustainability Curricula for 197 Uganda Coffee Development Authority Master Trainers.

The strategy encompassing the GCP Collective Action Initiative – Youth for Coffee in Uganda – also made strides to improve farmer productivity and incomes in 2023. Two additional international partners joined (bringing the total number of partners to five). With public co-funding also provided by P4F, by the close of the year, there were 75 Youth Business Units reaching over 16,000 farmers and youth offered rehabilitation services to more than 300,000 coffee trees. Other notable achievements include the restoration of five acres of the Gomba Forest Reserve and training materials and knowledge-sharing events on agroforestry with more than 90 youth trained and 9,000 farmers enrolled to receive agroforestry services.

Lastly, in support of a more enabling environment for sustainable coffee, UCP convened public and private stakeholders to form a taskforce focused on responding to EUDR and CS3D. The taskforce began the development of an action plan for the Ugandan coffee sector to comply with these new/upcoming regulations.



Samson Emong

Country Platform Manager





Sustainable



Robusta / Arabica



Exports



Number of total coffee farmers



% of small farmers

Uganda: GCP Collective Action Plan



The **Problem**

- O Coffee yields 1/3 or 1/4 of their potential
- Old trees
- Climate change



Solution

- ✓ Enhance knowledge & service delivery
- √ Build climate- resilient farms



Goal

Strategies

- Improve third party service delivery to farmers
- Deliver R&R and climate resiliency services to farmers via Youth Business Units
- Support the enabling environment for sustainable coffee: strengthen the capacity of the Country Platform

Contribution to GCP 2030 Goal 12.5% of the one million coffee farmers





NAME

GCP Vietnam DIÊN DÄN CÀPHÊTOÂNCÄU

ESTABLISHED 2017

GOVERNMENT PLATFORM

Vietnam Coffee Coordination Board (VCCB)

POI F

GCP Vietnam supports the secretariat and managing committee A key achievement for GCP Vietnam in 2023 was the collaboration with the Ministry of Agriculture and Rural Development, the International Labor Organization Vision Zero Fund (ILO VZF), and private sector to update the National Sustainability Curriculum (NSC) for Arabica coffee with Occupational Safety and Health (OSH) guidelines. Following the Robusta NSC revision in 2022, GCP formalized its partnership with ILO VZF in 2023 to also revise the Arabica NSC and accompanying training materials for Master Trainers and handbooks for farmers. The materials were piloted in three Arabica-producing regions before the Ministry of Agriculture and Rural Development officially approved the updated curriculum in August 2023. The revised NSC and training materials are important inputs for rolling out the GCP Collective Action Plan for Vietnam going forward, and key findings of integrating OSH were shared with the full GCP Network of Country Platforms during a virtual Learning & Exchange session. Also in 2023, GCP Vietnam contributed to formulating the new structure of VCCB, which was then submitted to the Ministry of Agriculture and Rural Development for approval.

As part of the ongoing Collective Action Initiative on Responsible Use of Agro-Inputs, GCP partnered with international organizations, private and public extension providers to train Master Trainers and Champion Farmers on best practices and weed management. These partners in turn were able to disseminate the information to over 37,000 farmers*. Awareness-raising campaigns on agro-chemical container collection and treatment at schools, talk shows and other events reached over 6,000 people*. These achievements led to GCP Vietnam being officially recognized for significant contributions to Vietnam's economic and social development in December 2023 by the Vietnam Ministry of Foreign Affairs.



Pham Quang Trung
Country Platform Manager

* This data was provided by partners and not independently verified by GCP.



Total **Production (MT)**



Arabica



Exports



Number of total coffee farmers



% of small farmers

Vietnam: GCP Collective Action Plan



The **Problem**

- High production costs
- Use of banned agro-chemicals
- Occupational Safety & Health
- Climate change



Solution

- √ Make coffee farming more profitable by reducing costs and respecting MRLs
- √ Address Occupational Safety & Health Risks
- ✓ Improve climate mitigation and adaption



Goal

workplace safety and health

Strategies

- Increase farmers' net income from coffee via improved quality and reduced production costs
- Increase the climate resilience of the Vietnamese coffee sector
- Support the enabling environment for sustainable coffee: strengthen the capacity of GCP Vietnam and the Country Platform - the **Vietnam Coffee Coordination** Board (VCCB)

Contribution to GCP 2030 Goal 21.5% of the one million coffee farmers

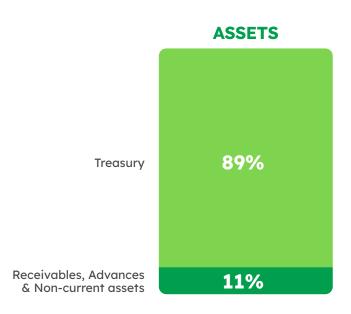
GLOBAL COFFEE PLATFORM

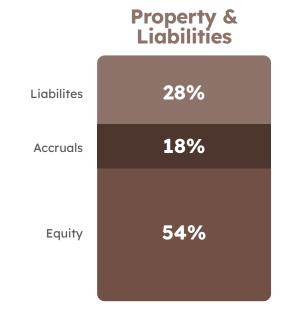
Finance Overview 2023

Balance Sheet

The operational result is a surplus of USD 119,791, of which a large part is coming from currency gains. In this way, the reserves could be strengthened.

This financial and sustainability report covers the period: 01.01.2023-31.12.2023.





	2023	2022
Current Assets	1,424,061	1,359,762
Receivables	58,172	141,549
Advances	91,569	89,166
Treasury	1,274,320	1,129,047
Non-current assets	2,778	4,712
Tangible Assets	2,778	4,712
Intangible Assets	-	-
Total	1,426,838	1,364,474

	2023	2022
Association Property	768,321	648,530
Statutory Reserves (equiv.)	478,000	478,000
Revenue Reserves	170,530	313,451
Operational Result	119,791	(142,921)
Accruals	255,889	266,650
Liabilities	402,628	449,294
Payables	174,304	158,705
Deferred Income	228,324	290,589
Total	1,426,838	1,364,474

	2023	2022
	'000	'000
Operating Income		
Membership Fees	1,427,349	1,290,635
Subsidies	1,548,817	825,903
Other Operating Income	124,860	45,730
Gross Operating Profit	3,101,026	2,162,268
Employment	1,251,255	913,502
Gross Operating Profit after Personnel Expenses	1,849,771	1,248,766
Expenses		
National Coffee Platform Implementers	508,039	434,369
National Coffee Platform Implementers Services and Consultancy	508,039 569,356	434,369 398,797
·		ŕ
Services and Consultancy	569,356	398,797

Finance & Legal Advice	144,006	140,769
Other Operating Expenses		-
Total other Operating Expenses	1,665,584	1,325,078
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)	184,187	(76,312)
Amortisation and Depreciation	2,445	4,021
Earnings before Interest and Taxes (EBIT)	181,742	(80,333)
Exchange Losses	61,951	62,588
Expenses previous Year		-
Earning before Taxes	119,791	(142,921)
Taxes		-
Net Result for the Year	119,791	(142,921)

Meetings

Income Statement

Income from membership fees (\$1,427,349) rose by 10 percent, as new members joined in 2023.

On the whole fees are mainly contributed by the groups of industry and trade in a proportion of 4 to 1. Subsidies (\$1,548,817) were significantly higher than in the preceding year (by 90 percent).

66,070

The biggest part of this increase (\$515,000) was due to the fact that a selection of members supported the start of the new GCP Strategy by extra Kick-off funding.

2023 2022 3,101,026 **Income** 2,162,268 Income Statement (IS) △ Receivables (57,991) Balance Sheet (BS) 2,104,277 = Cash receipts **Payroll expenses** 1,251,255 913,502 Δ Payables Operational Cost (52,086) BS **Operating expenses** 1,665,584 1,325,078 IS BS Δ Advances 33,836 △ Tangible Assets (4,021) BS △ Accruals 96,677 BS △ Deferred Income (2,320)BS Amortization and depreciation 4,021 IS 62,588 Exchange losses IS Expenses previous year IS Taxes (i.e. provision) IS = Cash expenditures 3,039,130 2,377,276 (i.e. adjusted Payroll expenses plus Operating Expenses) **Net Cash Provided** (272,999) 145,273 (i.e. Cash receipts minus Cash expenditures) Check: Treasury present year 1,129,047 BS Treasury preceding year 1,402,046 BS

145,273

(272,999)

Cashflow Statement

Change

48

ANNUAL REPORT 2023

Cost Centers

	2023	2022
Global Level	1,622,172	1,168,512
Generate Resources	494,787	289,897
Strategy and Governance	187,065	134,055
Country Implementation	178,632	234,987
Measure Impact	191,480	70,814
Services (Administration, Communications)	570,207	438,759
Country Level	1,294,628	1,070,537
Other Costs	64,435	66,141
Total	2,981,235	2,305,189

The increase of costs in the area of Measure
Impact is caused by the high demand
for equivalence recognition of schemes.
In several global cost centers, primarily
in Generate Resources, the intended
investments of the GCP 2.0 Kick-off funding
can be seen. This homes in on expanding the
fundraising capacities of the organization,
with the purpose of mobilizing resources for
the intended transformational change.

Country budgets were higher than in 2022 because of implementation of grants by Partnership for Forests, among others – and exploration activities of a group of GCP Members that asked GCP to work on the use of agrochemicals in Indonesia.

Income

1,570,000	Membership Fees
1,043,000	Subsidies
2,613,000	Total
	Expenses
1,577,000	Global Level
1,377,000	Global Level

Expenses	
Global Level	1,577,000
Generate Resources	485,500
Strategy and Governance	163,500
Country Implementation	194,000
Measure Impact	214,000
Services (Administration, Communications)	520,000
Country Level	978,000
Contingency	25,000
Total	2,580,000
Result	33,000

Budget 2024

The initial budget for the year is once more constructed in a conservative way, based on contracted grant funding from GIZ and IDH as well as GCP 2.0 Kick-off funding to the amount of \$590,000. New commitments are being integrated into the budget over the year as they become ready for signing.

Moreover, the network of country platforms collaborating under the GCP umbrella also allows for direct GCP Collective Action Plan funding at origin, with GCP as a facilitator. Hence GCP's budget does not necessarily get expanded when its breadth of activities is scaled up.

Thomas Mueller-Bardey





GCPMembership

GCP Members' commitment to pre-competitive multi-stakeholder collaboration is advancing coffee sustainability in new, effective and measurable ways.

Total number of GCP Members by end of 2023: 135

4C Services

ABIC - Associação Brasileira da Industria de Cáfé

ABICS – Associação Brasileira da Indústria de Ćafé Solúvel

ACECAP - Associação dos Produtores de cafés Especiais

African Fine Coffees Association (AFCA)

Agrovista LTDA

Aimee Russillo UNITED STATES (USA)

Anne Chepkoech

Asociación de Exportadores de Café de Honduras (ADECAFEH)

Associação dos Cafeicultores de Montanha de Divinolândia

Atlântica Exportação e Importação

Betty Elizabeth Maraka

Brown Brothers Harriman & Co.

Cafe Africa Tanzania

Café Africa Uganda

Carlos Henrique Jorge Brando

Cecafé - Conselho dos Exportadores de Café do Brasil

Cesar Augusto Correa Candiano

Chala Erko Arganea

CNC - Conselho Nacional do Café

Cocapec - Cooperativa de Cafeicultores e Agropecuaristas

COFCO International (Brazil)

Coffee Management Services

Coffee Quality Institute (CQI) UNITED STATES (USA)

Comexim

Companhia Têxtil de Castanhal

Compañía Hondureña del Café

Cooabriel - Cooperativa Agrária dos Cafeicultores de São Gabriel

Coomap - Cooperativa Mista Agropecuária de Paraguaçu

Coopeavi - Cooperativa Agropecuária Centro Serrana BRAZIL

Cooperativa Agropecuária dos Produtores Orgânicos de Nova Resende (COOPERVITAE)

Cooperativa dos Pequenos Cafeicultores de Poço Fundo e Região Ltda. (Coocaminas)

Coordinadora Latinoamericana y del Caribe de Pequeños Productores y Trabajadores de Comercio Justo (CLAC)

Dr. Joseph Kimemia

Ecocert Environnement SAS

ECOM Agroindustrial Corporation **SWITZERLAND**

Ffico

Enveritas

European Coffee Federation

Export Trading Company

Exportadora de Café Guaxupé

Fairtrade Labelling Organizations (FLO) International

FalCafé Comércio Exportação Importação de Café Ltda.

Falcon Coffees

Federación Nacional de Cafeteros de Colombia (FNC)

Frederick S.M. Kawuma

I & M Smith

Ibrahim Hussein Coffee Grower and Exporter

ICE Futures U.S., Inc. UNITED STATES (USA)

Imaflora

iO Coffee

JDE Peet's

Jeremy Lefroy

Kerstin Linne

Keurig Dr Pepper

Kofinaf

Kurukahveci Mehmet Efendi Mahdumlari

Louis Dreyfus Company (LDC)

Mbula Kaluki Musau

Melitta Group Management

Mercon Coffee Group THE NETHERLANDS

Minasul - Cooperativa dos Cafeicultores da Zona de Varginha

Moenardji Soedargo

Mother Parkers Tea & Coffee

Nestlé SWITZERLAND

Neumann Gruppe

Norwegian Coffee Association (NCA)

Olam Food Ingredients

Pacorini Vietnam

Pesticide Action Network (PAN)

Philip Schluter

PUR Projet

Rabobank THE NETHERLANDS Racafe & CIA S.C.A

Rainforest Alliance

Rikolto International

Robert Waggwa Nsibirwa

SCA - Specialty Coffee Association

Simexco Dak Lak

Sociedade Rural Brasileira

Stichting Solidaridad Nederland

Strauss Commodities

Sucafina SUPRACAFÉ

Swiss Coffee Trade Association (SCTA)

Svlvio Padilha

TechnoServe (TNS)

Terracore International

UNITED KINGDOM

The British Coffee Association (BCA)

Touton

Tristão Cia. de Comércio

UCC Coffee Switzerland (Schweizerische Kaffeeröstereien)

Union Trading Com Imp e Exp

Vietnamese Coffee and Cocoa Association (VICOFA)

SWITZERI AND

Westrock Coffee Company

Yara International



new members

Total number of new GCP Members by end of 2023: 37

GCP welcomes

Agri Evolve Uganda Limited

Agrogenius

Aldea Coffee

Blendcoffee Com. BRA7TI

CAB International

Central Highlands Center for Community Development and Climate (CHCC)

Confederação da Agricultura e Pecuária do Brasil (CNA)

Coocacer - Cooperativa de Produção dos Cafeicultores do

Cooxupé

dClimate Inc.

Dimitra

Ethos Agriculture

Expocacer - Cooperativa dos Cafeicultores do Cerrado

Fair Trade USA

Farmforce

G. Bijdendijk B.V. THE NETHERLANDS

Illycaffé S.p.A.

İNNOMAG

Julius Meinl Austria

Kerchanshe Trading PLC

List & Beisler

Mathara Holdings Ltd.

Meridia Land THE NETHERLANDS

Mitsui & Co. Coffee Trading (Brazil) BRAZIL

Mountain Harvest

N.V. Coffeeteam S.A.

Österreichischer Kaffee- und Teeverband AUSTRIA

Perales Huancaruna

RGC Coffee

Royal Cup ED STATES (USA)

UNITED STATES (USA)

Sucden Coffee Netherlands THE NETHERLANDS

Terracore International

SWITZERI AND The Coffee Source LLC

TMT Consulting Joint Stock Company

Tuan Loc Commodities

Unicafé Companhia de Comércio Exterior

Walter Matter

Total number of new GCP Members in 2024: 17

Accurate at the time of publication

Adriana Mejia Cuartas

Agrobiota

Aprin Dis Ticaret Ltd Sti

Cafebras - Comércio de Cafés do Brasil S.A. BRAZIL

Centro do Comércio de Café de Vitória

CERTIFICAFE

Community Development Center (CDC) VIFTNAM

Global Fund to **End Modern Slavery** **HACOFCO**

Inès Burrus SWITZERI AND

INDONESIA

Marcel Clement

M-Cultivo LLC

Mitsui & Co. Coffee Trading (Brazil) Ltda.

Nairobi Coffee Exchange

Slow Food

Taylors of Harrogate

THANKS TO

our GCP Members and strategic partners

Thanks to the dedication of GCP Members, Country Platforms, strategic partners, the GCP Board and staff, we are empowering the sector to realise crucial benefits for farming families, our industry and coffee lovers worldwide. Thank you for partnering and investing in the Global Coffee Platform to enable Local Action for **Global Results!**

GLOBAL COFFEE PLATFORM

GCP Global Team

Secretariat







female



male



temporary



permanent



part time



full time

female in

Executive Team

nationalities

Country Platforms



countries of employees



female



Contractors



contractors - Secretariat



contractors - Countries

Additional collaboration with country teams in Brazil, Uganda, Kenya and Indonesia through relations with their local organizations.

Executive team

GCP's Senior Management Team directs the organization's day-to-day activities around the world.



Annette Pensel

Executive Director

Annette is responsible for overseeing the operations, finances, resource mobilization and programs. She provides guidance and strategic direction to achieve GCP's mission and goals in close collaboration with the GCP Board.



Gelkha Buitrago

Director Programs and Corporate Partnerships

Gelkha steers GCP's work with the country platforms and programs, Collective Action Initiatives and measurement work. She also acts as Deputy Director.



Thomas Müller-Bardev

Finance & Operations Director

Thomas is responsible for managing GCP's finance systems and processes, including accounting, planning and controlling. He is also responsible for operations, including membership administration.



Suzanne Munson

Director of Partnership & Investment

Suzanne leads resource mobilization efforts and expansion of strategic multi-stakeholder partnerships for the benefit of smallholder coffee farmers.

Secretariat



Caroline Glowka
Senior Manager
Member Relations



Lauren WeissSenior Manager Countries and Partnerships



Mary Petitt
GCP Senior Advisor



Nazir Ul Haq

Monitoring, Evaluation
and Learning Manager



Pia PrangenbergOperations Manager



Claire MathiesonCommunications Manager



Angélica Castro

Communications Officer



Rhema David Kiputu

Grants and Finance Officer



Aditya Singh
IT Student Assistant



Laura Hollerieth
Student Assistant

Consultation of the Consul

Antonia Helesic

Student Assistant

Global Coffee Platform, Charles-de-Gaulle-Str. 5, 53113 Bonn, Germany is a membership association registered in Switzerland.

GCP works closely with Country Teams of GCP-affiliated Country Platforms. GCP has direct operations in Honduras, Kenya, Vietnam and indirect operations via a partner in Brazil, Indonesia and Uganda. Further information about the work of the GCP-affiliated Country Platforms on pages 32 to 45.

For more information contact <u>info@globalcoffeeplatform.org</u>





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GLOBAL COFFEE PLATFORM

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