



**MARCH 2026**

# Annual Project Report 2025

Fairtrade coffee value chains committed to improving shade-grown coffee to favour a sustainable agriculture in Peru, Honduras and India

  
J.J. DARBOVEN



# Contents

|  |    |
|--|----|
| 1. Summary .....                                   | 3  |
| 2. Project report .....                            | 5  |
| 2.1. Project progress and milestones .....         | 5  |
| 2.1.1. India.....                                  | 5  |
| 2.1.2. Peru and Honduras .....                     | 7  |
| 2.2. Other developments and activities.....        | 14 |
| 2.2.1. India .....                                 | 14 |
| 2.2.2. Peru and Honduras .....                     | 15 |
| 2.3. Challenges, adjustments and insights .....    | 16 |
| 2.3.1. Changes within the cooperatives.....        | 16 |
| 2.3.1.1. India .....                               | 16 |
| 2.3.1.2. Peru and Honduras.....                    | 16 |
| 2.3.2. Challenges in the project environment ..... | 17 |
| 2.3.2.1. India.....                                | 17 |
| 2.3.2.2. Peru and Honduras.....                    | 18 |
| 2.4. Communication about the project.....          | 19 |
| 2.5. Outlook for 2026 .....                        | 20 |
| 2.5.1. India.....                                  | 20 |
| 2.5.2. Peru and Honduras .....                     | 21 |
| 3. Appendices .....                                | 21 |

## Project data overview

|                               |   |
|-------------------------------|---|
| <b>Country/Region</b>         | <b>Peru, Honduras and India</b>   |
| <b>Implementation partner</b> | <b>CLAC: Coordinadora Latinoamericana y del Caribe de Pequeños(as) Productores(as) y Trabajadores (as) de Comercio Justo</b><br><b>NAPP: Fairtrade Network of Asia and Pacific Producers</b><br><b>Fairtrade Germany</b><br><b>Cooperatives:</b><br><b>India: MASS, HOWFFA, HAS</b><br><b>Honduras: ASOPROSAN, APROCOSMA</b><br><b>Peru: Valle Grande, Sangareni, Valle Ubiriki, Chirinos</b> |
| <b>Project period</b>         | <b>July 2024 to December 2029</b>   |
| <b>Reporting period</b>       | <b>1 January 2025 – 31 December 2025</b>  |
| <b>Reporters</b>              | <b>CLAC, NAPP and Fairtrade Germany</b>   |
| <b>Funding body</b>           | <b>J.J. Darboven</b>  |

# 1. Summary

The project co-funded by J.J. Darboven to promote shade-grown coffee cultivation in Peru, Honduras and India aims to strengthen the livelihoods of a total of 7,126 small-scale farmers through climate-resilient farming methods. At the heart of the project is the planting of around 2 million shade trees, which are intended to contribute in the long term to stabilising yields, improving soil quality and facilitating climate adaptation in the coffee-growing regions. Whilst 2024 was primarily devoted to laying the groundwork for implementation, 2025 was marked by the expansion of the project to India and the implementation of extensive planting and training initiatives.

**Over 450,000 trees planted:** By the end of 2025, a total of 452,536 trees had been planted across all three regions. Although this means that implementation fell short of the planned target of 572,000 trees for 2024–2025, the resulting shortfall of around 119,000 trees is to be made up in the coming years. Taking into account the reported sales of the four Café Intención products and accompanying campaigns for the years 2024 and 2025, amounting to 652,622, the difference increases to 200,086 shade trees.

**Plantings in Peru and Honduras:** In 2025, a total of 356,767 trees were planted – supported by operational and, in some cases, modernised nurseries in all participating cooperatives. Particularly positive is the survival rate of the young trees, which has reached a very good level of over 90% and is attributable to specific technical support and improved maintenance measures. In addition, systematic diagnoses of shade requirements in the coffee plots were carried out, enabling more precise planning of future plantings. By adjusting the distribution key – in future, at least 75% of the trees within and a maximum of 25% of the trees outside the coffee plot – the cooperatives should be able to utilise additional planting capacity.

**Plantings in India:** The project began operational implementation with the inclusion of three new cooperatives. Following the finalisation of the project application and the signing of the contract, information materials were produced, training sessions were held and the first cinnamon seedlings were procured. A total of 20,000 seedlings were made available,

of which 14,350 have already been distributed and 12,778 planted. With survival rates between 85–90%, it is evident that the cultivation practices are proving effective, even though the year was marked by logistical challenges and extreme climatic conditions. Changes occurred in India following the decertification of two cooperatives. To ensure that their members can continue to participate in the project, the plan is to fully integrate both into the largest cooperative, MASS, which, thanks to its large membership, will also be able to absorb the planting capacity in the coming years.

In Latin America, too, external conditions led to adjustments: the Honduran cooperative Cocafelol withdrew from the project in 2025 as it could no longer raise the necessary own funds. Furthermore, a lack of rainfall in Honduras and northern Peru temporarily hampered both seedling production and the planned planting period. Staff changes in several technical teams meant that some cooperatives required additional support to ensure they could continue to adhere to work processes, reporting structures and technical standards.

In parallel with the operational measures, numerous training, advisory and awareness-raising activities were carried out to win over producers to sustainable shade tree systems and strengthen their implementation skills. In India, around 30 cluster meetings took place, whilst in Peru and Honduras annual planning and evaluation workshops were held, which contributed both to reflection and to strengthening project management.

A total of **452,536** trees planted.

Survival rate of young trees: **~90%**



**Looking ahead to 2026:** Extensive measures to accelerate the achievement of targets are planned in all countries. These include, in particular, the planting of 120,000 seedlings in India – spread over two monsoon seasons – , the further strengthening of technical capacities, the use of digital monitoring tools, and the implementation of the adjusted distribution key for tree planting in

Peru and Honduras to a minimum of 75% within and a maximum of 25% outside the coffee plots. Overall, despite occasional delays and structural challenges, the project is making steady progress, with positive impacts on producers and a clear roadmap for the coming years.



**Training on the Shade Tree Project and distribution of supplies – Thankamany village at the Cooperative MASS**



## 2. Project report

### 2.1. Project progress and milestones

The following section outlines progress towards achieving the project outcomes based on the defined indicators and activities implemented. Statements regarding the overarching project objectives (General Objective and Specific

Objective) will be possible on the basis of the interim and final surveys at the beginning of 2027 and at the end of 2029.

#### 2.1.1. India



#### 2.1.1. India

**Project objective: To contribute to small-scale producers in India achieving more sustainable livelihoods through improving their shade-grown coffee production via planting at least 500,000 shade trees.**

The year 2025 was marked by the expansion of the project to India and was characterised by the establishment of key project structures, extensive awareness-raising measures and the implementation of an initial planting phase.

Initially, the project proposal was finalised in collaboration with all project partners, and roles, processes and the budget were defined. The necessary structures for processing payments to India were established with the involvement of

Effort as an FCRA partner<sup>1</sup>. The contract was signed in August 2025, and the project kick-off call with all relevant stakeholders was held in early November.

Various information and capacity-building measures were implemented to actively engage the target group and motivate coffee farmers to participate in the project. These included, among other things, information events, the production and distribution of flyers, and digital communication measures to increase the project's visibility.

For the project's long-term success on-site, it is essential that the project is supported by the producers. This applies in particular to their motivation to participate in tree planting and to the proper care of the planted trees, which contributes significantly to ensuring high survival rates.

Over the course of the year, a suitable seedling supplier was identified and cinnamon seedlings were procured for the first planting phase. The seedlings were prepared ('seasoned') and subsequently distributed to the producers. In addition, organic inputs such as fertiliser were provided. The producers then began soil preparation and planting.



**Training programme for the Shade Tree Project, Peruvanthanam village near the Cooperative MASS**

<sup>1</sup>FCRA = Foreign Contribution Regulation Act (Indian law regulating foreign contributions)



**Training on planting shade trees and distribution of inputs – Manjappara sub-group at the Cooperative MASS**

### Results for 2025 – broken down by producer organisations in India

The largest producer organisation, MASS, carried out the most extensive initial implementation, whilst HAS and HOWFFA also carried out initial planting activities.

Seedlings procured: 20,000 (all by MASS)

| COOPERATIVE  | India  |        |        |
|--|--------|--------|--------|
|  | MASS   | HAS    | HOWFFA |
| Number of seedlings delivered                            | 9,800  | 3,550  | 1,000  |
| Number of seedlings planted                              | 8,900  | 3,018  | 860    |
| Target number of trees planted by 2025                   | 50,000 | 30,000 | 20,000 |
| Outstanding plantings and carry-over to subsequent years | 87,222 |        |        |



**Planting of cinnamon seedlings**

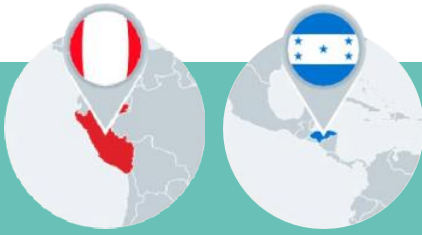
### Summary of shade trees planted in 2025

In the first year, the survival rate of the newly planted trees was stable between 85% and 90%. This underscores the effectiveness of the care practices applied, as well as the successful technical support provided to the participating producers.

A total of 970 producers benefited directly from the measures, including 742 men and 228 women, with the proportion of women (24%) being achieved in particular through the involvement of the HOWFFA women's cooperative.



## 2.1.2. Peru and Honduras



### 2.1.2. Peru and Honduras

**Project objective 1: Six cooperatives design a plan to increase shade coverage in coffee farms based on the interests and needs of their members. This plan includes the identification of plots to be intervened and their needs for shade, the selection of suitable tree species and the strategy to approach and support the producers.**

As a basis for the project, the project proposal envisaged conducting a systematic diagnosis of the current state of shade in the coffee farms of the participating cooperatives that will allow the precise identification of plots to be intervened in the framework of the project, prioritizing those that are detected with deficient shade and those that are or will be in the process of renovation or rehabilitation.

At the same time the ideal shade density will be identified and, consequently, the necessary planting density. This forms the basis for a reliable assessment of the actual tree planting needs as well as the corresponding planting capacities of the participating cooperatives in Peru and Honduras.

To this end, CLAC has adapted its methodology for diagnosing shade coverage in coffee cultivation to the conditions of the participating project cooperatives. During on-site workshops, both the methodology and the relevant tools for determining shade coverage were taught to the cooperatives in a practical manner.

The diagnoses were carried out on the basis of a sample of cooperative members, in which a total of 293 producers took part. Data collection involved young members of the cooperatives, thereby, at the same time, strengthening local capacities. Overall, the cooperatives rated this measure very positively, as it was the first time that a systematic diagnosis of shade requirements had been carried out, thereby making the relevance of shade for sustainable coffee production much more tangible.



Training at the Cooperative Valle Ubiriki



Training at the Cooperative Prosperidad de Chirinos



The diagnoses identify the need for tree planting in various areas: within the coffee plots, along plot boundaries, and on land unsuitable for coffee cultivation as a reforestation measure (family-owned forest land). In Honduras, planting on communal land in conjunction with water associations was also considered as a contribution to the protection of local ecosystems (communal land).

The diagnoses yielded the following results per cooperative:



Training at the cooperative Asoprospan

| COOPERATIVE  | Peru             |                |                |                |                | Honduras       |                |                | TOTAL            |
|--|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
|  | Peru             | San-gareni     | Ubiriki        | Valle Grande   | Chirinos       | Honduras       | Aso-prospan    | Apro-comsa     |                  |
| <i>Original planting target</i>                      | 1,040,000        | 300,000        | 300,000        | 220,000        | 220,000        | 520,000        | 220,000        | 300,000        | 1,560,000        |
| <b>Trees on coffee plantations</b>                   | <b>715,480</b>   | <b>117,529</b> | <b>278,731</b> | <b>159,103</b> | <b>160,118</b> | <b>423,451</b> | <b>147,754</b> | <b>275,697</b> | <b>1,138,931</b> |
| <b>Trees on family-owned forest land</b>             | <b>423,391</b>   | <b>245,625</b> | <b>56,661</b>  | <b>61,105</b>  | <b>60,000</b>  |                |                |                | <b>423,391</b>   |
| <b>Trees on communal land</b>                        |                  |                |                |                |                | <b>135,000</b> | <b>95,000</b>  | <b>40,000</b>  | <b>135,000</b>   |
| <b>Proposed target adjustment based on diagnosis</b> | <b>1,138,871</b> | <b>363,154</b> | <b>335,392</b> | <b>220,208</b> | <b>220,118</b> | <b>558,451</b> | <b>242,754</b> | <b>315,697</b> | <b>1,697,322</b> |
| <b>Difference from original planting target</b>      | <b>98,871</b>    | <b>63,154</b>  | <b>35,392</b>  | <b>208</b>     | <b>118</b>     | <b>38,451</b>  | <b>22,754</b>  | <b>15,697</b>  | <b>137,322</b>   |
| <b>Plantings in coffee plots in %</b>                | <b>62.82%</b>    | <b>32.36%</b>  | <b>83.11%</b>  | <b>72.25%</b>  | <b>72.74%</b>  | <b>75.83%</b>  | <b>60.87%</b>  | <b>87.33%</b>  | <b>67.10%</b>    |
| <b>Plantings outside of coffee plots in %</b>        | <b>37.18%</b>    | <b>67.64%</b>  | <b>16.89%</b>  | <b>27.75%</b>  | <b>27.26%</b>  | <b>24.17%</b>  | <b>39.13%</b>  | <b>12.67%</b>  | <b>32.90%</b>    |

**Overview of the results of the shade tree diagnosis per cooperative for tree planting requirements**

The diagnoses show that, based on the adjusted targets, a total of 137,322 additional trees could be planted compared with the original plan. This would require an adjustment to the current distribution key, according to which 90% of the

shade trees are planted inside the coffee areas and 10% outside. Such a change would also have potential implications for project communication.



At the beginning of 2026, it was therefore agreed to adjust the existing distribution key so that at least 75% of plantings are carried out on coffee plots and a maximum of 25% on communal land and family-owned forest land outside the coffee areas, in order to enable the cooperatives to have a higher number of plantings. This will also result in an adjustment in planting targets, which have to be further specified and contractually

defined in the course of 2026. Provided that the newly adjusted planting target is achievable, there are no plans to include further cooperatives in the project for the time being. However, should there be any change in the available planting capacity, the inclusion of additional cooperatives could be reconsidered if necessary.

| COOPERATIVE  | Peru            |                 |                |                |                | Honduras       |                |                | TOTAL            |
|--|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
|  | Peru            | San-gareni      | Ubiriki        | Valle Grande   | Chirinos       | Honduras       | Aso-prosan     | Apro-comsa     |                  |
| <i>Original planting target</i>                              | 1,040,000       | 300,000         | 300,000        | 220,000        | 220,000        | 520,000        | 220,000        | 300,000        | 1,560,000        |
| <b>Trees on coffee plantations as per diagnosis</b>          | <b>715,481</b>  | <b>117,529</b>  | <b>278,731</b> | <b>159,103</b> | <b>160,118</b> | <b>423,451</b> | <b>147,754</b> | <b>275,697</b> | <b>1,138,932</b> |
| <b>Trees outside coffee plantations as per diagnosis</b>     | <b>423,391</b>  | <b>245,625</b>  | <b>56,661</b>  | <b>61,105</b>  | <b>60,000</b>  | <b>135,000</b> | <b>95,000</b>  | <b>40,000</b>  | <b>558,391</b>   |
| <b>Permitted trees outside coffee plantations (max. 25%)</b> | <b>202,244</b>  | <b>39,176</b>   | <b>56,661</b>  | <b>53,034</b>  | <b>53,373</b>  | <b>89,251</b>  | <b>49,251</b>  | <b>40,000</b>  | <b>291,496</b>   |
| <b>Reduction in plantings outside coffee plantations</b>     | <b>-221,147</b> | <b>-206,449</b> | <b>0</b>       | <b>-8,071</b>  | <b>-6,627</b>  | <b>-45,749</b> | <b>-45,749</b> | <b>0</b>       | <b>-266,895</b>  |
| <b>New planting target</b>                                   | <b>917,725</b>  | <b>156,705</b>  | <b>335,392</b> | <b>212,137</b> | <b>213,491</b> | <b>512,702</b> | <b>197,005</b> | <b>315,697</b> | <b>1,430,428</b> |
| <b>Plantings in coffee plots in %</b>                        | <b>77.96%</b>   | <b>75.00%</b>   | <b>83.11%</b>  | <b>75.00%</b>  | <b>75.00%</b>  | <b>82.59%</b>  | <b>75.00%</b>  | <b>87.33%</b>  | <b>79.62%</b>    |
| <b>Plantings outside coffee plots in %</b>                   | <b>22.04%</b>   | <b>25.00%</b>   | <b>16.89%</b>  | <b>25.00%</b>  | <b>25.00%</b>  | <b>17.41%</b>  | <b>25.00%</b>  | <b>12.67%</b>  | <b>20.38%</b>    |

**New, adjusted planting targets for Peru and Honduras per cooperative**

Based on the results of the diagnosis, the six cooperatives were able to define their strategies for supporting producers, taking into account the operational capacities of their teams. With the drafting of these plans, the corresponding activity and thus also the associated project objective are considered completed; however, the implementation of the measures will continue to be supported by technical expertise.





**Project objective 2: Six cooperatives implement actions to improve shade-grown coffee production.**

In 2025, all six project cooperatives have started or continued to plant shade trees. In total, 356,767 trees have been planted across 2,422.1 hectares<sup>2</sup> in Peru and Honduras. This brings the total number of trees planted in both countries for the years 2024 and 2025 to 439,758 trees (see Annex 2 for further details):



|  | Peru         |           |               |          | Honduras  |            |
|--|--------------|-----------|---------------|----------|-----------|------------|
| COOPERATIVE  | Valle Grande | Sangareni | Valle Ubiriki | Chirinos | Aprocomsa | Asoprostan |
| Number of seedlings delivered                              | 58,665       | 100,502   | 129,073       | 43,343   | 80,473    | 40,000     |
| Number of seedlings planted                                | 55,275       | 100,502   | 120,165       | 43,343   | 80,473    | 40,000     |
| Planting target 2024-2025                                  | 66,000       | 90,000    | 90,000        | 66,000   | 90,000    | 70,000     |
| Outstanding plantings and carry-over to the following year | 10,725       | -         | -             | 22,657   | 9,527     | 30,000     |

**Summary of shade trees planted in 2024 and 2025**

To date, 1,501 producers (539 women and 962 men) have been reached through the tree-planting initiatives. This corresponds to 44.46% of the planned target group.

The current survival rate of the trees planted in 2024 and 2025 in the cooperatives in Peru and Honduras is over 90%, which is a very positive figure.



<sup>2</sup> Due to late reports received after the Q4-2025 quarterly report was sent to Darboven, the number of shade trees planted for the cooperative Valle Grande has increased from 31,375 to 55,275 trees and for the cooperative Aprocomsa from 80,291 to 80,473 trees. This results in a total increase from 415,676 to 439,758 trees for Peru and Honduras across an area of 2,422.1 hectares. The updated figures have been reflected accordingly in Annex 2. In 2024, a total of 82,991 trees were planted in Peru and Honduras.



## Progress of project activities

### **Activity: Establishment, operation and maintenance of tree nurseries**

**Valle Grande:** A tree nursery with seedbeds was established. The structure consists of galvanised pipes and was covered with shade netting to protect against excessive sunlight and reduce the amount of sunlight reaching the seedlings. In addition, the cooperative set up small temporary nurseries at each producer's site to acclimatise the delivered seedlings and thus ensure their survival on the final plots.

The nurseries are functioning properly. Both the organisation's nurseries and those of the producers are monitored by the cooperative.



**Germination of seeds at Valle Grande**



**Technical teams of the Cooperative Valle Grande that help in the preparation of transplanting seedlings into bags at the nurseries on the coffee plantations of the producers**



**Seedlings that grow up to delivery**

**APROCOMSA:** A nursery was already in place before the project began, which is used for the production of seedlings. In addition, decentralised nurseries were gradually introduced to reduce seedling mortality caused by long-distance transport. This approach enables more efficient coverage of the target areas, facilitates access for the producers and encourages greater participation in the process. The nurseries are functioning properly.

The organisation plants species prioritised by the producers due to their ecological and productive value, such as laurel (*Laurus nobilis*), mahogany (*Swietenia macrophylla*) or walnut (*Juglans regia*).



**Prosperidad de Chirinos:** The establishment of the nursery has been completed, including the installation of irrigation systems, the purchase of equipment for nursery maintenance such as shovels and wheelbarrows, and the necessary pipes. Seedbeds have been built, all of which are covered with shade netting to protect against excessive sunlight. They are functioning properly, which is why this activity is considered complete.

The cooperative has procured tubes and holders for the production of seedlings to reduce pollution of the plots caused by commonly used plastic sheeting (bags). This material can be reused multiple times depending on maintenance and has an estimated lifespan of 10 years or more.

The organisation hired two staff members to improve the monitoring, maintenance and delivery of plants in the nursery.



**Sustainable alternative to plant bags – reusable tubes at Prosperidad de Chirinos**



**Seedlings in tubes are watered using a hose before the irrigation system was implemented**

**ASOPROSAN:** The existing nursery is used for growing of seedlings. In addition, the cooperative has modernised its nursery by constructing a special facility for preparing substrates and germinating seeds. This system uses aguas mieles (water from the processing) to produce beneficial microorganisms that support the cultivation process.

Furthermore, a system for inoculating coffee pulp based on microorganisms has been installed. Ultimately, this treated by-product can be used as a substrate for establishing the next nurseries.

Furthermore, an additional nursery with a capacity of 5,000 grow bags has been established. They are currently introducing the use of tubes and Ecopil technology to produce a larger number of plants (approx. 180,000) and

thus meet the annual planting target. Both nurseries are operating properly.

The organisation cultivated and maintained the selected tree species: silberia (*Grevillea robusta*), cedar (*Cedrela odorata*) and mahogany (*Swietenia macrophylla*). Furthermore, coordination for plant production in the second quarter of 2026 is currently being evaluated to prevent a potential shortage and ensure that the cooperative has high-quality plants available for final transport to the field.

**Sangareni/Valle Ubiriki:** The two cooperatives purchase seedlings. The second purchase of seedlings took place in the fourth quarter of 2025.



**Activity: Supporting producers and supplying agricultural inputs for the timely planting and care of the planted trees**

**Prosperidad de Chirinos / Asoprostan / Valle Grande / APROCOSMA:** Technical support was provided to the four cooperatives, including agronomic recommendations on the appropriate transport of plants to the plots, the size of planting holes, the optimal time for planting, and the time and dosage for fertilisation.



**Training courses for producers of the Cooperative Asoprostan**

**Sangareni:** Recommendations were made regarding the appropriate amount of shade. In addition, the cooperative monitored the seedlings previously planted by the producers in various areas of Pangoa and recommended weeding around the plants to prevent them from dying due to competition from weeds.

**Valle Ubiriki:** Direct technical support was provided for the care of the planted pine seedlings. These individual visits enabled producers to be trained in best practices such as planting, weed control, pruning and appropriate irrigation to ensure the trees grow well.

In addition, the supply of supplementary agricultural inputs such as compost and lime is planned to improve the growing conditions for the planted seedlings. This measure will strengthen the producers' skills in the field of agroforestry.

In addition, the use of the digital data collection tool Kobocollect has been introduced.



*Previously, producers saw only one benefit in planting trees, namely using them for timber; now, with the project, the producers' perception has changed, they see more benefits, such as the contribution of organic matter through the pruning work carried out, which provides nutrients, (and) temperature control.*

*Jamie Ardon, member of the Cooperative Asoprostan*

## 2.2. Other developments and activities

### 2.2.1. India



#### Monitoring measures 2025

Initial data on the survival rate of the planted seedlings has been collected. With a survival rate of 85–90%, the results are positive.

In addition, discussions have already taken place regarding the procurement of seedlings for the 2026 season, and initial orders have been placed with suppliers.

#### Awareness-raising within the cooperatives

Extensive awareness-raising measures were implemented during the reporting period. A total of around 3,000 flyers were distributed and 30 cluster meetings were held in three cooperatives to advise producers on the planting and care of cinnamon seedlings. In addition, various communication materials were developed, including a video on cinnamon production and benefits of shade tree systems, and two video clips in the local language.



**Cinnamon tree seedlings – visit of NAPP at the Cooperative MASS**



**Training on the Shade Tree Project – Vazhathoppu village of the Cooperative HOWFFA**

## 2.2.2 Peru and Honduras

### Annual participatory evaluation and planning workshops

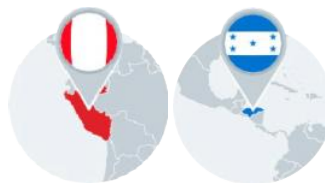
In early 2025, the kick-off workshop for the three Honduran project cooperatives Cocafelol<sup>3</sup>, Aprocomsa and Asoprosan took place, serving to get to know each other, to plan and to coordinate project management. The workshop aimed to prepare the conditions for the proper implementation of the project and to the achievement of the desired results in a participatory manner together with the participants. During the workshop, potential risks and key players were identified, the project objectives and strategies were adapted, and the individual phases of project implementation and the management structure were planned.

Subsequently, the annual evaluation and planning workshops for 2025 took place in Peru and Honduras. In particular, current challenges were discussed and solutions developed.

Selected plots of the cooperatives were visited and a workshop was held in which the technical teams and the producers reflected on the project after one year of implementation. In addition, the identified risks were updated and the most recent changes in the cooperatives' technical teams were discussed. This facilitated acceptance of the project among the new members.



**Workshop with the Cooperatives Sangareni and Valle Ubiriki in Peru**



In Honduras, the two cooperatives particularly emphasised that the activity to diagnose the current shade coverage would help them to make decisions and develop strategies beyond the scope of the project. Furthermore, participants were encouraged to play an active role in project decision-making, to take responsibility, to promote transparency and to further develop their self-assessment skills.

### Project management through project cooperatives

At the start of 2025, operational committees were established for Peru and Honduras. The respective delegates from the cooperatives were appointed, and the first meetings took place in the second quarter of 2025. The committees act as steering bodies for project implementation and help to identify challenges and risks at an early stage, develop appropriate solutions and effectively manage implementation.

In addition, data collection for the baseline study was completed; this serves as a reference for measuring progress against the project indicators.

<sup>3</sup> Later in 2025, the cooperative Cocafelol withdrew from the project.

## 2.3. Challenges, adjustments and insights

### 2.3.1. Changes within the cooperatives

#### 2.3.1.1. India

Two of the three project cooperatives are currently decertified by Fairtrade certification. With the decertification, the active participation of both cooperatives in the project is suspended, i.e. no seedlings are currently being distributed and no other measures are being carried out.

The remaining cooperative, MASS, is currently able to absorb the tree-planting capacity thanks to its large membership. Originally, the plan was to seek recertification for both cooperatives. However, the current plan is for MASS to incorporate the members of the two decertified cooperatives into its structure. The necessary adjustments will be made in the course of 2026.



**Transport of cinnamon seedlings at the Cooperative MASS**

#### 2.3.1.2. Peru and Honduras

By the end of 2024, it had become apparent that the cooperative Cocafelol might leave the project, as the necessary own funds could no longer be provided in sufficient quantities due to limited financing options. In the first quarter of 2025, Cocafelol finally decided to withdraw from the project.

Consequently, the project objectives were adjusted to six organisations, meaning that four Peruvian and two Honduran cooperatives are currently participating in the project. According to current plans, a total of 3,376 producers will plant 1,430,428 shade trees.

In 2025, there were also personnel changes within the technical teams and in the management of the cooperatives Aprocomsa, Sangareni and Valle Ubiriki. These changes posed challenges for project implementation, as new staff had to be introduced to the project objectives, structures and requirements and had to be supported accordingly to ensure compliance with the original agreements.

Consequently, delays occurred both in the implementation of project activities and in the preparation of financial reports, meaning that planned deadlines could not be fully met. To support the new staff, specific training sessions were conducted to explain project formats, budget structures, annexes and contractual framework conditions.

These developments underscore the need for continuous communication with the management of the cooperatives, as well as close technical support, in order to manage transition phases effectively and ensure project continuity.

## 2.3.2. Challenges in the project environment

### 2.3.2.1. India

Although the original plan was to plant around 100,000 seedlings in 2025, delays in finalising the project proposal and concluding the contract meant that only 20,000 seedlings could be procured, of which 14,350 were distributed to the producers.

Reasons for missing the target

- Late project start (not until May 2025)
- Delays in the availability of high-quality seedlings
- Transport problems and logistical constraints
- Need for proper pre-conditioning of the seedlings to adapt them to altitude and climatic conditions
- Reluctance on the part of individual producers due to land-use issues, additional workload or insufficient understanding of the long-term benefits
- Extreme climatic conditions, changing rainfall patterns and labour shortages, which meant that producers had to shift their priorities towards securing basic needs (e.g. protecting existing coffee plants, securing livelihoods, compensating for labour shortages).

The remaining 80,000 seedlings are to be divided between 2026 and 2029 in four annual tranches of 20,000 seedlings each. This is intended to enable better preparation of producers and smoother logistical processes.



**Distribution of cinnamon seedlings at Cooperative HOWFFA**

Weather-related uncertainties such as dry spells, heavy rain or irregular rainfall can significantly impair the survival of the seedlings.

To counteract this, planting is specifically timed to coincide with the start of the early monsoon, as this phase offers particularly favourable conditions for growth. In addition, water-conserving farming methods such as mulching, contour farming and rainwater storage are encouraged. Producers also receive training on gap filling and replanting, whilst a buffer stock of 10–15% additional seedlings is maintained to compensate for losses in a timely manner.

Logistical aspects also pose a challenge, particularly delays in the transport and distribution of seedlings. To minimise these risks, central nurseries are being set up within the cooperative clusters, thereby shortening transport distances. The distribution of seedlings also takes place in phases and is timed to coincide with suitable planting periods such as the monsoon. Local young people or volunteers are involved for the last stretch of distribution ('last mile').

A further challenge lies in the continuous monitoring of the freshly planted seedlings. Without regular monitoring, the survival rate drops significantly. Therefore, Farmer Field Groups are established, in which responsible producers take charge of local monitoring. Digital tools and simple logbooks are used for systematic documentation to record growth and survival rates. Seasonal meetings facilitate the exchange of information on progress and challenges, whilst incentive schemes provide additional motivation for producers with particularly high survival rates of seedlings.

Furthermore, it has become apparent that some producers are reluctant to participate in the programme due to concerns regarding land use, insufficient information or the additional workload involved. The project addresses this through specific educational and awareness-raising measures on the ecological and economic benefits of shade tree systems. Successful model farms serve as practical examples and promote learning processes within the farming community.



**Shade tree seedlings at the Cooperative Valle Grande**

### 2.3.2.2 *Peru and Honduras*

Following the closure of several US development agencies, including USAID, various organisations in Central America lost a significant portion of their funding for technical teams. The loss of these personnel capacities has a direct impact on the provision of agronomic advice and simultaneously makes it more difficult to access qualified specialists for the implementation of project measures.

At the same time, in the second quarter of 2025, a lack of rainfall in Honduras and northern Peru – partly attributable to climate-related changes – led to significant delays in planting and seedling production. In Honduras, the start of the rainy season was delayed, meaning that planned planting periods could not be met. In northern Peru, the low rainfall initially affected seed production and subsequently the work of the tree nurseries, as seedlings were only available late.

The cooperatives affected are using these experiences to make their seed systems more resilient. Plans include establishing several reliable seed suppliers and developing joint procurement and timetables to better mitigate future bottlenecks.



## 24. Communication about the project

Fairtrade continues to communicate about the project on the [Fairtrade Impact Map](#). J.J. Darboven was regularly supported with the agreed portraits and, upon request, provided with additional image and video material in a timely and reliable manner.

As part of a joint trip, a team from J.J. Darboven and Fairtrade Germany attended events in Guatemala in May, as well as visited the project cooperatives Asoprostan and Aprocomsa in Honduras. In Guatemala, alongside participation in the 'Golden Cup' competition, the focus was particularly on the first regional coffee forum, at which as part of the 'Climate Change and Green Business' panel the shade tree project was

presented by J.J. Darboven and received a positive response. There was also an exchange with the CLAC team, which provided an opportunity for an in-depth discussion of the project's status.

The teams then visited the project cooperatives in Honduras, which provided a direct insight into the project's progress. At the cooperative Asoprostan, the first shade tree was symbolically planted together with Darboven, serving as a powerful symbol of the collaboration.



**Visit to the Cooperative Aprocomsa**

## 2.5. Outlook for 2026

### 2.5.1. India

Comprehensive activities are planned for 2026 to accelerate the achievement of targets and ensure the long-term quality of the plantations.

#### **Changes in the participating cooperatives**

Following the decertification of the two cooperatives HAS and HOWFFA, their members are to be taken over by the largest participating cooperative, MASS. This will ensure that tree-planting capacities are maintained. The corresponding adjustments to the project documentation will be made once the integration of the members is complete in the course of 2026.

#### **Monitoring and maintenance**

The seedlings planted in 2025 will be intensively maintained, including measures such as weeding, mulching and plant protection. Furthermore, organic inputs will be provided. A key element will be the use of the digital tool HUBTRACE for traceability, data collection and certification.

#### **Procurement of seedlings in 2026**

The procurement of a total of 120,000 seedlings is planned for 2026. Implementation is scheduled to begin in May/June, timed to coincide with the start of the monsoon season to ensure optimal growing conditions.

#### **Capacity building**

In parallel, specific capacity-building measures will be implemented. These are aimed in particular at women producers and indigenous producer groups and include training on the management of shade trees, the integration of cinnamon within intercropping systems for income diversification, and measures to adapt to drought conditions and prevent soil erosion.

#### **Planting phases for 2026**

Planting takes place in two coordinated phases. The first planting phase is scheduled for the period from May to June, before the start of the monsoon. A second planting phase takes place in July and August during the monsoon season and serves in particular to fill gaps in the planting and to involve producers who join the project at a later stage (late adopters).



**Distribution of cinnamon seedlings at the Cooperative HAS**



**Member of the Cooperative Asoprosan**

## **2.5.2. Peru and Honduras**

### **Adjustment of distribution key**

At the start of 2026, it will be clarified promptly what impact the adjusted 75–25% distribution key will have on the project in Peru and Honduras and whether the resulting new planting target of a total of 1,430,428 shade trees can be achieved by the cooperatives currently involved. On this basis, a corresponding contract amendment is planned. Provided that the new planting target is achievable, there are no plans to integrate further cooperatives into the project for the time being. However, should there be any change in the assumed available tree capacities, a review of the inclusion of additional cooperatives may be considered if necessary. Clarifying these implications is of central importance for the further implementation of the project and for the planning certainty of all parties involved.

### **Exchange of experience**

In addition, the extent to which a structured exchange of experience between the four cooperatives in Peru can be organised is being examined.

## **3. Appendices**

Annex 1: Financial Report 2024–2025

Annex 2: Tree Planting Report 2024–2025

---

## CONTACT

---

### Contact details

Anna Kaiser • Supply Chain Management  
a.kaiser@fairtrade-deutschland.de

Photo credits: Asociación de Productores Orgánicos de COMSA (APROCOMSA), Coordinadora Latinoamericana y del Caribe de Pequeños(as) Productores(as) y Trabajadores(as) de Comercio Justo (CLAC), Manarcadu Social Service Society (MASS), High range Agricultural Society (HAS), High range Organic Women Fairtrade Farmers Association (HOWFFA), Fairtrade NAPP

### Fairtrade Deutschland e.V.

Maarweg 165 • D-50825 Köln • Tel.: +49 221 94 20 40 0 • info@fairtrade-deutschland.de  
www.fairtrade.net/de-de



**FAIRTRADE**