

GROWING

SUSTAINABLE

FUTURES

**FAIRTRADE AUSTRALIA
& NEW ZEALAND
2014/15 ANNUAL REPORT**



**FAIRTRADE
AUSTRALIA
NEW ZEALAND**



FAIRTRADE BY THE NUMBERS

\$300

MILLION

RETAIL SALES (AUD) OF

**FAIRTRADE
CERTIFIED
PRODUCTS**

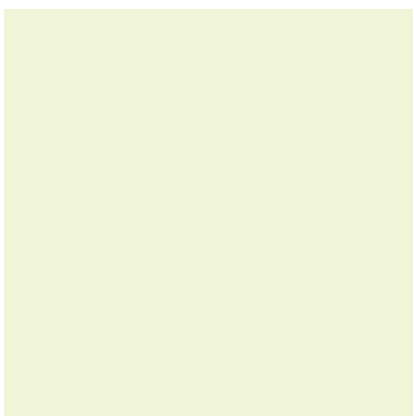


**OVER
3000**



FAIRTRADE CERTIFIED
PRODUCTS FOUND IN

**AUSTRALIA
& NEW ZEALAND**

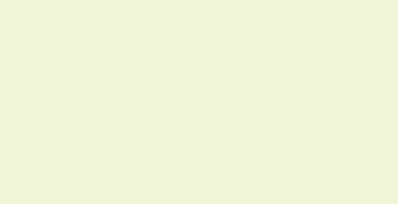


203



**LICENSEES
& TRADERS
IN AUSTRALIA**

48 IN NZ



78%

**OF KIWIS AND
50% OF AUSSIES
RECOGNISE**

THE FAIRTRADE MARK

**OUR FAIRTRADE
RETAIL SALES WERE**
55% CHOCOLATE
34% COFFEE
5% TEA
3% BANANAS
1% COTTON & SPORTS
PRODUCTS
3% OTHER

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ABOUT FAIRTRADE

Fairtrade changes the way trade works through better prices, decent working conditions and a fairer deal for farmers and workers in developing countries. By choosing Fairtrade products, people can create change through their everyday actions, and farming communities can improve their lives and invest in their future.

Fairtrade Australia & New Zealand (Fairtrade ANZ) is a full and active member of Fairtrade International and has the sole right to license the use of the international FAIRTRADE Mark in Australia and New Zealand. Fairtrade ANZ has three key objectives:

➡ **Market Growth**

Increase the range, availability and sales of Fairtrade Certified products

➡ **Credibility and Trust**

Promote, position and protect the FAIRTRADE Mark

➡ **Producer Support and Relations**

increase impact and sales for producers in the Pacific region

FAIRTRADE VISION

A world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future.

FAIRTRADE MISSION

Connect disadvantaged producers and consumers, promote fairer trading conditions and empower producers to combat poverty, strengthen their position and take more control over their lives.

FAIRTRADE VALUES

Our brand values are characterised overall by a sense of responsiveness. Responsiveness is absolutely critical for creating better relationships, trust, and rapport with all our stakeholders.

1. Action

We get the right things done promptly and effectively to deliver services to achieve maximum impact for people and communities.

2. Integrity

We nurture and promote fairness and equality in global trade by being open, trustworthy and transparent in our work.

3. Respect

We treat everyone with equality, respect and understanding.

4. Challenge

We strive to increase the impact of our work, going beyond expectations to set the agenda for rights in trade.

5. Optimism

We believe we can make lives better and explore opportunities for working together to make long term improvements.

CHAIR AND CEO REPORT

POWERING UP PARTNERSHIPS

Unlocking the power of Fairtrade Australia & New Zealand has been an exciting and formidable task over this last year. While growing Fairtrade sales from \$AUD 259 million last year to \$AUD 300 million this year; and developing a landmark partnership with the Australian Department of Foreign Affairs and Trade (DFAT); we have been able to dramatically expand our vision and strategy for empowering small farmers and workers in our region, as well as professionalise the skills and experience of the whole leadership team to prepare for the significant opportunities to reduce poverty and grow Fairtrade in the Asia Pacific in coming years.



We were honoured to host the 3rd Fairtrade Asia Indo-Pacific New Markets Forum in November 2014 in conjunction with the launch of the Department of Foreign Affairs and Trade (DFAT) Partnership with the Hon Julie Bishop, Deputy Prime Minister and the Australian Minister for Foreign Affairs and Trade. This was a great opportunity to showcase our leadership on regional supply chain development, and to develop and collaborate on plans and strategies to align with the Network of Asia and Pacific Producers (NAPP) and regional new markets.

The process of positive regeneration and Board effectiveness as we entered our 9th year was evidenced by the exceptional calibre of new Board appointments including Markerita (Meg) Poutasi, whose experience in Pacific trade and leadership brings substantial depth to our Producer Support work; as well as Delia Rickard, Deputy Chair of the Australian Competition and Consumer Commission, whose extensive consumer and market knowledge brings new skills to our Board. We welcome these newest Board members who have already hit the ground running, advancing our integrity in Licensing and Certification and increasing the strategic direction for our Producer support.

It is with deep sorrow that we also saw the passing of former board member and Molly's husband Phillip Toyne in June this year. Phillip's was a remarkable life well led; and his impact and contributions to Australia and Fairtrade Australia and New Zealand (Fairtrade ANZ) were formidable. Former Board Chair Jim Willett described his work with Phillip's early efforts to up skill the Board back in 2011 as one of Jim's greatest delights and achievements for FANZ.

We prepare to say a fond farewell to Harriet Lamb, Fairtrade International's CEO, who recently announced that after 16 years within Fairtrade, she will be leaving to take up the role of CEO at International Alert, Europe's largest peacebuilding organisation. Working with Harriet to enable the Fairtrade International system to become the only global ethical trade system half owned by the small farmers and workers we serve was a landscape changing innovation that all in the Fairtrade System can be deeply proud to be part of. During the last year, we also said farewell to a number of staff members from Fairtrade ANZ. We take this opportunity to say thank you for your service and to acknowledge the legacy you have each left within Fairtrade ANZ.

For the future we can say that even with the significant achievements, transformation and professionalisation of Fairtrade ANZ in this past year, we know how much more work there is to do as the Aid for Trade agenda in Australia and New Zealand finally finds a voice. Fairtrade has 25 years of experience to contribute to our part of the world. We are excited for what the future has in store and keen to achieve much more. We have set our sights on having a profound impact to support Pacific and regional producers into ANZ, regional and international markets, and will be measuring monitoring and evaluating our achievements in new producer supply chains, and expanding our business partnerships. Our commercial partners are showing the world that it is makes good business sense to create prosperity and profits, while leading the way toward trade justice for the most marginalised. To go far, we must go together.

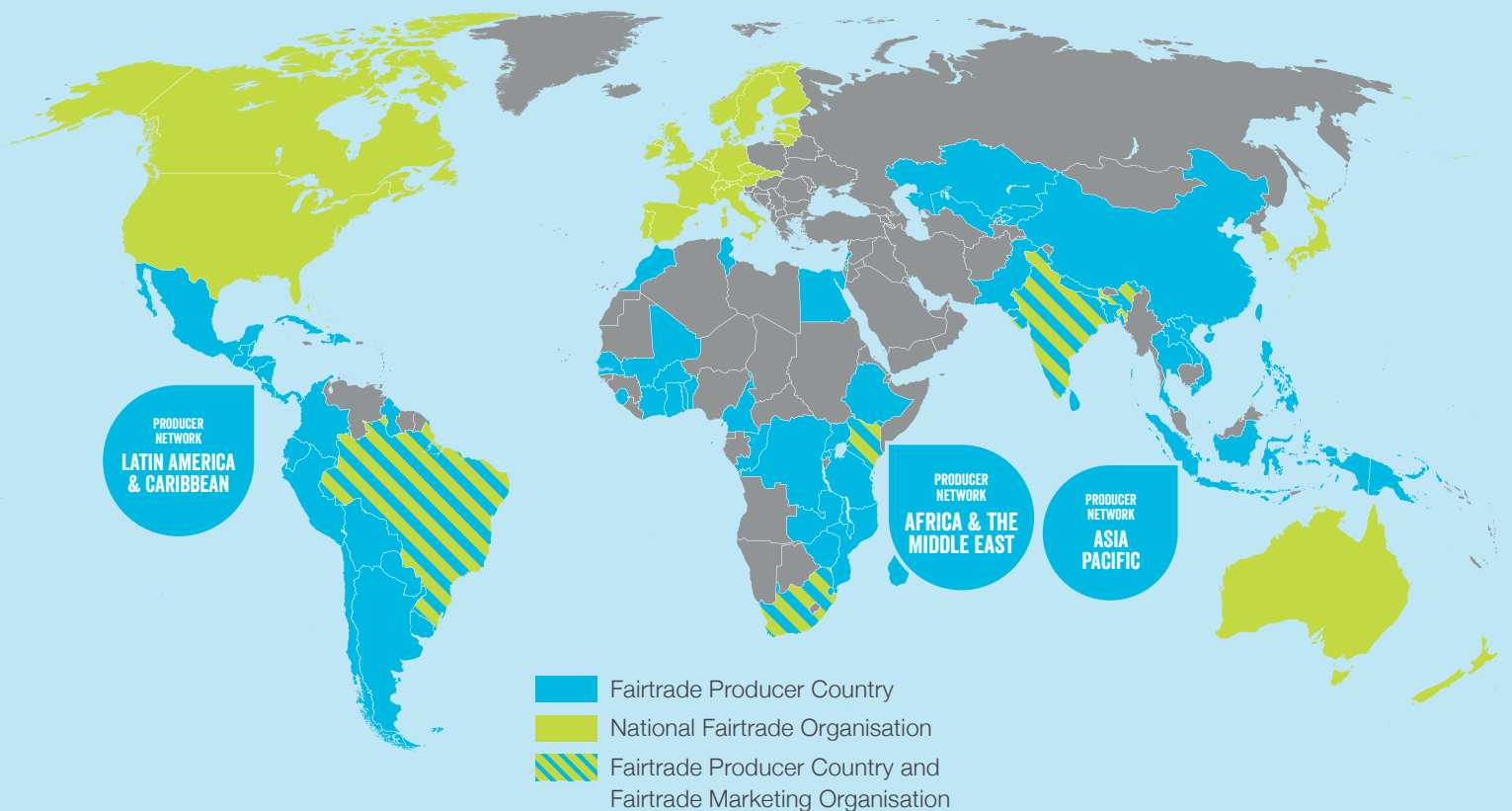
Valentina Tripp
Board Chair,
Fairtrade ANZ

**Molly
Harriss Olson**
CEO,
Fairtrade ANZ

ABOUT US



OUR REACH



FAIRTRADE INTERNATIONAL

Fairtrade International is the organisation that coordinates Fairtrade at an international level. From the offices in Germany, they set international Fairtrade standards, organise support for producers around the world, develop global Fairtrade strategy, and promote trade justice internationally.

NATIONAL FAIRTRADE ORGANISATIONS

National Fairtrade Organisations license the Fairtrade Mark on products and promote Fairtrade in their territory. Your local Fairtrade organisation is the best place to find out where you can buy Fairtrade products.

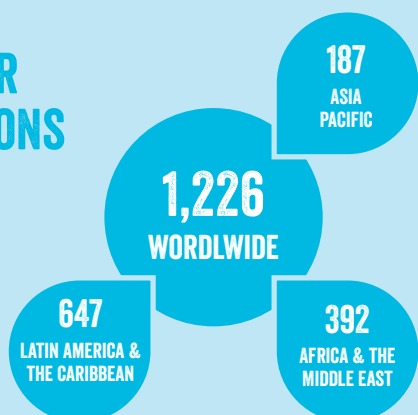


Representatives of small-scale producers and workers have a voting share of **50%** in the General Assembly of Fairtrade International.

PRODUCER NETWORKS

Producer networks are regional associations that Fairtrade certified producer organisations may join if they wish. They represent 1.5 million small-scale producers, workers and other producer stakeholders worldwide. There are producer networks in three continents, Africa, Asia and Latin America and the Caribbean.

FAIRTRADE PRODUCER ORGANISATIONS



1,500,000 FARMERS AND WORKERS WORLDWIDE

FARMERS AND WORKERS WORLDWIDE INVESTED \$AU154.6 MILLION IN PROJECTS USING THEIR FAIRTRADE PREMIUM



The Honorable Julie Bishop joins Fairtrade Leaders at the Fairtrade Asia Indo-Pacific New Markets Forum



Australian Government

Department of Foreign Affairs and Trade

On 3 November 2014, the Australian Minister for Foreign Affairs and Trade, The Honorable Julie Bishop MP announced ‘Fairtrade for Aid in the Indo-Pacific’, a partnership between Fairtrade Australia and New Zealand and the Department of Foreign Affairs and Trade. This partnership represents an important opportunity to significantly scale up our impact for poverty alleviation and empowerment of small farmers and workers in our region.

The Fairtrade For Aid in the Indo-Pacific Partnership enables Fairtrade ANZ to build market demand and local consumer support for Fairtrade products in Australia. The partnership will also support research enabling us to strengthen our work linking smallholder producers in developing Indo-Pacific countries with Australian, regional and international markets.

During the first phase of this partnership, Fairtrade ANZ has developed strategies to expand and strengthen partnerships with Australian businesses interested in stocking or using Fairtrade certified

products. These strategies include work which aims to: increase the market presence of current and new Fairtrade licensees; and support the development of consumer campaigns to increase public awareness and demand for Fairtrade certified products. The “Sign With Mary” campaign was the first major activity run with support of this partnership.

This partnership has enabled Fairtrade ANZ to conduct research into how best to expand Fairtrade ANZ’s producer support programs in the Indo-Pacific. Improved producer support programs

are being designed to facilitate engagement with organisations at all stages of the supply chain from producer support interventions and production capabilities, logistics and import/export protocol and quality requirements through to processing facilities in order to meet identified market demand opportunities.

Fairtrade ANZ is grateful for the Australian Government’s support of Fairtrade’s work and continues to work closely with the Australian Department of Foreign Affairs and Trade as part of its strategy for Aid for Trade Investments in the Info-Pacific.

NEW MARKETS

FAIRTRADE ASIA INDO-PACIFIC

NEW MARKETS FORUM

Fairtrade Australia and New Zealand hosted the Asia Indo-Pacific New Markets Forum from 3-6 November 2014. We were fortunate to be joined by Fairtrade International CEO, Harriet Lamb, as well as representatives of new and emerging Fairtrade organisations in Japan, Hong Kong, India, Philippines, Taiwan and South Korea.

The Forum provided an opportunity to showcase innovations and development in Fairtrade business and supply chain management across the region and enabled Fairtrade organisations to:

- ➔ Share the current status in each new market;
- ➔ Learn from Fairtrade ANZ's 10 years' experience; and
- ➔ Exchange ways of cooperating across supply chain management, including identifying challenges and possible solutions and ways of working together.

“FAIRTRADE ANZ HAS A VITALLY IMPORTANT ROLE TO PLAY IN CREATING DEMAND FOR FAIRTRADE PRODUCTS, DEVELOPING THE SUPPLY CHAINS AND GROWING THE NUMBER OF PRODUCERS IN THE REGION. THIS WORK IS HARD AND IT TAKES TIME BUT WITH THIS DFAT PARTNERSHIP WE ARE SEEING SUBSTANTIAL STRIDES TOWARDS REALISING OUR VISION.”

Molly Harriss Olson, CEO Fairtrade Australia and New Zealand





OUR CAMPAIGNS

Sign With Mary Roadshow

SIGN WITH MARY CAMPAIGN

Cocoa farmers around the world are struggling to make a living and see Fairtrade terms as the only way to sustain their businesses into the future. With cocoa trees ageing and providing fewer pods and children not wanting to follow their parents into such hard work for such low income, urgent action is required. It is clear that to provide hope for the future and support the next generation of cocoa farmers, consumers must call on suppliers to source increased numbers of Fairtrade certified chocolate products.

In recent years we have heard the message loud and clear from consumers who want to see more Fairtrade certified Easter eggs on supermarket shelves. In response we launched the Sign With Mary Campaign- a petition asking Woolworths and Coles to double their national range of Fairtrade Certified Easter products for 2016. Over 13,000 Australians lent their voices to the campaign.

A key component of the campaign was an education roadshow featuring Mary Appiah, a Fairtrade cocoa producer, from Kuapa Kokoo cooperative in Ghana. The roadshow allowed Mary to share her story of the power of Fairtrade with audiences across Australia. Schools, faith groups and supporters were encouraged to get involved by running a Fairtrade Easter egg hunt and sharing their photos online.



HIGHLIGHTS OF THE SIGN WITH MARY CAMPAIGN INCLUDE:

- ➔ 13,000 signatures on the petition
- ➔ Positive ongoing discussions with Coles and Woolworths
- ➔ Events run with licensees including: Josophan's Fine Chocolate, San Churro and Oxfam
- ➔ Support and engagement of NGO Partners: Oxfam, World Vision, Salvation Army & Stop the Traffik
- ➔ 2.5% increase in followers on the Fairtrade Australia Facebook Page
- ➔ 8,000 visits to the Sign With Mary microsite



“IT IS THE RESPONSIBILITY OF BIG BUSINESS TO SUPPORT THE RIGHTS OF THOSE WHO SUPPLY THEM WITH PRODUCE AND ENSURE THEIR EXISTENCE. IT ENSURES THE IMPROVEMENT OF LIVING CONDITIONS, HEALTH AND EDUCATION AS WELL AS PROMOTING A MORE SUSTAINABLE INDUSTRY.”

Alexandra - Fairtrade supporter

FAIRTRADE FORTNIGHT – THE GREAT KIWI FAIRNESS DEBATE



Now in its 9th year, Fairtrade Fortnight is a highlight in the New Zealand Fairtrade calendar. Fairtrade Fortnight aims to increase awareness of, and interest in, Fairtrade and to motivate consumers to purchase Fairtrade certified products. The theme for this year's Fairtrade Fortnight was the 'Great Kiwi Fairness Debate', which encouraged Kiwis to question the value of fairness and challenged them to test how fair they really are.

Through a purpose designed microsite, campaign video (with kiwi comedian Cori Gonzales-Macuer) and quiz, Kiwi fairness data was collected and used to pitch to various media outlets. 3.7 million Kiwis were reached through media coverage over Fairtrade Fortnight which included articles in the New Zealand Herald, Viva Magazine, Sunday Star Times, and FMCG Business.

Fairtrade Fortnight enjoyed a strong online presence through the microsite, social media and the websites and staff portals of partners such as BNZ and KPMG. There were 9,278 page views to the website, 9,195 views of the campaign video, and 180,000+ people engaged with the Great Kiwi Fairness Debate online.

Our business partners included Office Max who promoted Fairtrade through a clickable web banner on their website; KPMG who ran a promotion through their staff portal to celebrate their Fairtrade Workplace status and encourage colleagues to participate in the quiz; and BNZ who, in addition to promotion via their staff portal, also promoted Fairtrade Fortnight via an ATM display.

Licensees and retailers celebrated Fairtrade Fortnight through a range of in store promotions. Over 450 cafés

displayed posters, tricards, and decals in their outlets promoting the use of Fairtrade coffee on site. More than 230 Countdown, Fresh Choice and Supervalu supermarkets ran promotions in store using themed posters and wobblers and promoting the various Fairtrade Certified brands available onsite.

The voices of our NGO partners were also instrumental in amplifying the Great Kiwi Fairness Debate campaign. Seven NGO partners ran their own promotion to support Fairtrade Fortnight, including Oxfam who distributed over 1,000 hard copies of the Fairness Quiz through Oxfam Morning Tea Packs.

To bring the issues of fairness in global trade to life, Fairtrade facilitated a visit from Daniel Kinne, a Fairtrade coffee farmer from Highland Organic Agriculture Cooperative (HOAC) in Papua New Guinea. The visit enabled Daniel to connect with licensees, consumers and councils to share insights about how Fairtrade has impacted HOAC's communities. Our grassroots supporters were instrumental in helping organise Daniel's tour and other events during Fortnight. 20 events were run by network groups and supporters, with over 1000 attendees.

FAIRTRADE GRASSROOTS INNOVATION FUND

Fairtrade ANZ continues to be deeply impressed by the activities and campaigns run by our supporters and advocates across Australia and New Zealand throughout the year - specifically during Fairtrade Fortnight.

This year, following on from its great success in New Zealand, Australia was proud to launch its own Grassroots Innovation Fund.

The purpose of the Grassroots Innovation Fund is to support a powerful grassroots movement mobilising thousands of conscious consumers and Fairtrade advocates in communities across Australia and New Zealand. The fund gives financial assistance to organisations wishing to conduct innovative activities that grow awareness of Fairtrade and encourage the purchase of Fairtrade Certified products.

OUR IMPACT

COFFEE TRADERS VISIT PAPUA NEW GUINEA

As part of Fairtrade ANZ's strategy to promote direct and equitable relationships between farmers and buyers, the Producer Support and Relations team works with producer organisations to facilitate and host trader visits, where farmers and their buyers have the opportunity to jointly assess challenges, industry trends and market prospects.

In 2014, the Producer Support and Business Development teams supported the efforts of Nekkasi Coffee Growers Cooperative Society and Highlands Organic Agriculture Cooperative (HOAC) from Papua New Guinea to host three Fairtrade coffee roasters from Australia and New Zealand - Sacred Grounds Organic, Griffiths and Montville Coffee.

At the Nekkasi Coffee Growers Cooperative Society, roasters spent time visiting gardens and speaking to farmers about their needs in relation to market access and quality improvement. They also met Social Manager, Mela Napiyang, who was recently equipped with a motorbike funded by the Fairtrade Premium.

The vehicle facilitates his role in identifying the needs of Nekkasi's members spread across more than eight remote mountainous villages, joined by basic bush tracks. Mela prioritises his efforts on identifying water access needs, as the organisation is working on establishing a water supply system for its members.

At HOAC, roasters visited a recently launched Fairtrade Premium-funded water project supplying 10,000 litres of drinkable water per hour to 4,000 people in the Okapa District of Eastern Highlands Province, where access to clean water has been a challenge for years.

Visitors were able to access HOAC's villages using the popularly named "Fairtrade Highway", a countryside winding road that connects HOAC's most remote coffee growing communities to its coffee mill, where coffee is processed, packed and sent to market. The "Fairtrade Highway" owes its name to the Fairtrade Premium-funded project which is allowing HOAC to fund the ongoing maintenance required due to strong mountain weather.

OVER 30000 WOMEN



ARE ACTIVE MEMBERS OF FAIRTRADE CERTIFIED PRODUCER ORGANISATIONS IN THE PACIFIC

"Fairtrade communities face enormous challenges to reach their markets, such as transport, isolation, and a lack of information and training. However, when the human side of trade leads the way, like during these trader visits, and farmers can interact and work closely with their Fairtrade buyers, then everything becomes possible; with commitment, dedication and perseverance, challenges can be overcome," explains Gabriel Iso, Fairtrade Liaison Officer for Papua New Guinea.

PACIFIC PRODUCERS EARNED

\$21M

IN FAIRTRADE REVENUE IN 2014





Pacific producers benefit from trader visits and governance training sessions

GOOD GOVERNANCE TRAINING FOR SMALL FARMERS IN FIJI AND PAPUA NEW GUINEA

At the end of 2014, the Producer Support and Relations team completed its Good Governance Training Module for small farmers.

The module consists of two days of training, delivering the essential skills to understand good governance practices such as transparency and accountability. Packed with active learning activities and games, the module addresses the topics of constitutions and governance bodies within small farmer organisations, and the power of working together.

Fairtrade ANZ's training initiative on good governance responds to the requirements of its producer stakeholders in Oceania, who are developing their small producer organisations following Fairtrade Standards and working to increase their participation in the Fairtrade market. Fairtrade farmers are required to work in democratic organisations following principles such as participation and transparency at the core of their activities. Fairtrade ANZ's Producer Support and Relations project supports these efforts, and facilitates the resources needed for producers to achieve these goals.

Funded by the Interchurch Organization for Development Cooperation (ICCO), the Good Governance Training Module was designed in collaboration with cocoa, coffee, sugar, coconut and vanilla farmers, who attended three pilot sessions conducted in Papua New Guinea and Fiji in August and September in 2014. During these sessions, Fairtrade ANZ collected feedback from farmers to improve the training module and its resources. The module will be part of Fairtrade ANZ's Producer Library, a compilation of interactive training materials that facilitate understanding and implementation of Fairtrade standards within producer organisations.

"The good governance training gave us a better understanding of how we should be directing and managing our organisations, and of the roles of the board of directors, management and members. If we are transparent and participative, our businesses can grow stronger," says Daniel Kinne, chairperson of Highland Organic Agriculture Cooperative.

**FOR THE
3RD YEAR
IN A ROW
KETO TAPASI
SOLD ALL OF ITS
COFFEE
ON FAIRTRADE TERMS**





Fairtrade gold mined in Uganda

**EXCITING
NEW PRODUCT
CATEGORIES**



WELCOME TO OUR NEW LICENSEES:

BANANAS

SKU Limited (Banabay)
Freshmax NZ Ltd (Fyffes)

CHOCOLATE

Chocolateria San Churro
Origin Chocolate
Industrial Food Services
Soulfresh (Pico)
Organic Times
Prydes Confectionery
F. Mayer (Imports)
Pana Chocolate
Little Monster Chocolate
Not A Trace

COFFEE

Prime Coffee
Sweet Yarra Gourmet
Coffee
Righteous Coffee Roasters
PodPac Coffee Capsules
Strada Cafe NZ
Greenrise
Mad Coffee Capsules
Q Roasters
AAA Diamond Coffee
Roasting
Patio Coffee Roasters
Pablo & Rusty's
Sumatra Straits Enterprise

COFFEE SYRUP

Finest Food Products

COCONUT WATER

KAI Elixirs

COSMETICS

Today is ours
Humanité Skincare

COTTON

Servi Store
Bhumi
Change Threads

**DRINKING
CHOCOLATE**

Pactum Dairy Group

GOLD

Nordhoff Jewellery Couture
SCOCO

RETAILER

Woolworths

RICE

Jen's kitchen

SOFT DRINK

Karma Cola

TEA

Imperial Tea Exports
Fine & Dandy

ALSO A BIG THANK YOU TO OUR EXISTING LICENSEES FOR THEIR ONGOING SUPPORT

**WOOLWORTHS
BECOMES THE
FIRST
RETAILER TO SIGN
A LICENCE AGREEMENT**

**ALDI
EXPANDS THEIR
FAIRTRADE RANGE**

**coles
INTRODUCES
FSP COCOA
IN AUSTRALIA**



**FAIRTRADE
BANANA SALES
INCREASE BY
28% IN 2014**



**VANILLA GROWERS ASSOCIATION
OF VAVA'U BECOMES
THE FIRST
FAIRTRADE CERTIFIED
ORGANISATION IN TONGA
& WILL BECOME THE FIRST
REGIONAL FAIRTRADE CERTIFIED
VANILLA
SUPPLIER
FOR QUEEN FINE FOODS**



Fairtrade vanilla grown by the Vanilla Growers Association of Vava'u

MONITORING & EVALUATION

Since 2011, Fairtrade ANZ has conducted an annual in-depth assessment of Pacific producer organisations – those who have achieved Fairtrade certification or are on the path to obtaining Fairtrade certification – to gain a full understanding of their structure, strengths and challenges, current and potential supply and demand, and market channels, with the aim to inform the corresponding strategy for its producer support services.

As part of these efforts, Fairtrade ANZ is working to embed self-designed monitoring and evaluation into the regular operations of each producer organisation that it supports, to ensure that producers are tracking their own indicators of success. Focus groups and surveys facilitated by Fairtrade Liaison Officers are designed to serve as a method of monitoring and evaluation for the Producer Support project as a whole, but also as an ongoing exercise in monitoring, evaluation and learning for each producer organisation.

Based on Fairtrade ANZ's records, total revenue to Pacific producer organisations from Fairtrade sales was USD\$21 million in 2014. Fairtrade Premium earnings have grown from just over USD\$100,000 in 2009 to nearly USD\$3 million in 2014, allowing producer organisations to invest in quality and productivity improvements, community infrastructure, and business development activities. In Fiji, producer organisations have invested their Premium in access to clean water for irrigation and drinking, and road improvements to bring their crop to market. In Papua New Guinea, producer organisations have invested their Premium in the construction of offices and in fresh water supply projects.

2014 was both a challenging and successful year for Fairtrade in the Pacific. The Vanilla Growers Association (Vava'u) was the first producer organisation to become Fairtrade certified in the Kingdom of Tonga. Club 3000 sold 200 metric tonnes of cocoa as the first Contract Production setup in the Pacific. Savai'i Coconut Farmers Association increased its membership by 43%, and more than 200 farmers and support organisation representatives were trained by Fairtrade ANZ's PSR team.

The challenges were also significant. Quality and productivity issues resulted in decreased coffee sales in Papua New Guinea, and changes in market demand reduced the amount of Fairtrade sugar sold in Fiji. Also, due to international restructuring, Papua New Guinea cocoa producers experienced the loss of their exporting partner, resulting in a reduction in Fairtrade sales and Premium.

In response, Fairtrade ANZ's Producer Support and Relations team is prioritising the following activities in 2015-2016:

- ➔ Continued focus on strengthening the foundations of producers organisations' governance and businesses for long-term success. Fairtrade ANZ's Producer Library of training tools serve as a key driver in this area.

- ➔ Providing in depth producer organisation-specific support in local languages and within the framework of local culture.
- ➔ Investment in committed producer organisations, by way of partner organisations, through its MFAT-funded Producer Business Development Fund, which serves as a key driver of investment in producer organisations' products and businesses.
- ➔ Access to market information, through Fairtrade ANZ's Business Development teams in Australia and New Zealand, Fairtrade International's Global Product Management team for opportunities elsewhere in the world, and the International Fund for Agricultural Development-supported Information and Communication Technology project which facilitates farmer's access to market linkages through communication technologies.
- ➔ Developing and strengthening strategic partnerships with relevant organisations, stakeholders and the private sector in the region, with a particular focus on gender, to enhance efficiency, comprehensiveness, and sustainability of project activities.

GOVERNANCE TRAININGS

IN LANGUAGE SUPPORT

PRODUCER BUSINESS DEVELOPMENT FUND

ACCESS TO ICT TOOLS

FACILITATING PARTNERSHIPS

FAIRTRADE

LOOKING FORWARD

Fairtrade ANZ has entered an exciting new era, with the arrival of new staff and the formulation of a new commercial strategy that aligns with Fairtrade International. The team has been strengthened to include professionals with experience working at Fairtrade in Europe, extensive expertise of the Australian food industry, strong commercial experience, as well as staff who have worked internationally with NGOs. The next step has been envisaging effective ways to communicate our values, our business proposition and our impact on the livelihoods of farmers and workers, to new and existing stakeholders. We know the unique benefits of the Fairtrade system and must focus on enhancing awareness and understanding so the full strength of the system can be realised for everyone involved.

The key focus areas, within our commercial strategy, remain chocolate, coffee and tea, with the addition of bananas in New Zealand. Revitalised methods of engagement with traders, manufacturers and other commercial partners will be one of our key objectives. To begin this process we have recently become members of the Australian Specialty Coffee Association and the Australian Coffee Traders Association. We are relishing the conversations and opportunities this has started and look forward to expanding our presence in this area. The foodservice industry also represents a significant opportunity for Fairtrade to be better integrated into workplaces and universities, whilst generating volume growth and awareness. These foundational Fairtrade product categories are complemented by a wave of newer products where strong growth opportunities exist.

We see a shift beginning in the retail market towards stronger sustainability commitments and a deeper level of understanding of what sustainability means. This is a positive development for all Fairtrade product categories, particularly for cotton. Increased

opportunities for vanilla and coconuts are now possible following Fairtrade's support and investment in the Asia-Pacific region and new producers who have been brought in to the system. Fairtrade's focus in these areas aligns with the Australian and New Zealand governments renewed focus on trade with neighbouring countries. Their commitment has allowed us to further the invaluable work of our Producer Support and Relations team and the programs run in communities they work with.

OVER 50%
OF AUSSIES AND KIWIS
AGREE THAT FAIRTRADE
IMPROVES
THE LIVES OF FARMERS IN
DEVELOPING COUNTRIES

Our collaboration and work alongside commercial and NGO partners is also evolving, as Fairtrade extends its influence and works to shape

the industries in which we operate. This is exemplified by the upcoming sustainability certification forum, co-hosted by Fairtrade and the Forest Stewardship Council, to be held later this year. The forum aims to bring all stakeholders together to discuss what meaningful certification looks like and the impact of certification from producers through to manufacturers, retailers and consumers. The power Fairtrade stories have, particularly when communicating your commitment to Fairtrade, is understood and is one way we aim to add value as a commercial partner. We are excited to be working with our partners more closely than ever in telling these stories.

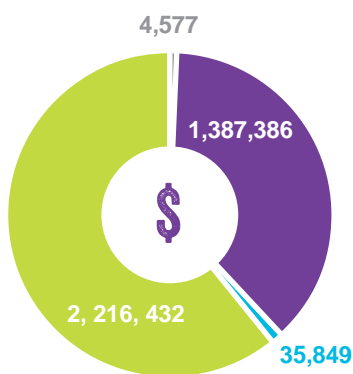
Australia and New Zealand's next boom lies in sustainability. This presents huge potential for Fairtrade and the profound impact that we can have together on the lives of producers and workers across the world. We look forward to hearing your insight, receiving your support and collaborating in the years to come.

FINANCIAL STATEMENTS

INCOME

The total revenue for Fairtrade ANZ has increased by 20% in the 14/15 financial year. The commencement of the DFAT grant resulted in an increase of 38% in the donor funds that we acquitted in the 14/15 year and the licensing income also experienced a growth of 14% on the back of this increased exposure in the market place.

The partnership in Australia with DFAT has been a significant milestone for the growth within the market and we continue to be supported by our NZ donors as an experienced provider that is able to reach the outcomes using an established process and strong experience in the Pacific.



- Grant income expended during the year
- Interest
- Licensing income
- Other income

KEY INCOME SOURCES

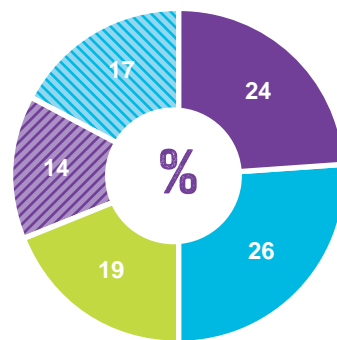
Fairtrade ANZ wishes to acknowledge the significant support of DFAT, MFAT, IFAD and ICCO, which enables us to extend our operations across the Pacific.



EXPENDITURE

In line with the increase in income our expenses have conformed as we relocate to new premises in Melbourne having outgrown the existing accommodation and skilled up to ensure that we had the personnel best equipped to manage the business through change and growth.

Fairtrade ANZ has provided an increased level of support back to the international operations to finance some significant projects that benefit the system as a whole.



- Asia Pacific Producer Support
- Awareness and Business Development
- Fairtrade Certification and Licensing Services
- Office Management and Governance
- Support for Fairtrade's International programs

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30TH JUNE 2015

Revenue	14/15	13/14
Grants		
DFAT	\$382,511	-
Other Australian grants	-	-
Other overseas grants	\$1,004,875	\$1,005,489
Total grant income	\$1,387,386	\$1,005,489
Investment income	\$35,849	\$28,952
Other income	-	-
- Licencing income	\$2,216,432	\$1,943,363
- Other income	\$4,577	\$49,170
Total revenue	\$3,644,244	\$3,026,974
Expenditure		
International aid and development programs expenditure		
International programs	-	-
Funds to international programs	\$643,848	\$491,177
Program support costs	\$425,134	\$514,312
Community education	\$126,409	\$215,885
Accountability and administration*	\$2,003,827	\$1,687,317
Total international aid and development programs expenditure	\$3,199,218	\$2,908,691
Domestic programs expenditure	\$446,559	\$114,765
Total expenditure	\$3,645,777	\$3,023,456
Excess/(shortfall) of revenue over expenditure	-\$1,533	\$3,518

During the 14/15 financial year Fairtrade ANZ Ltd had no transactions in the International Political or Religious Adherence Promotion program categories, donations or bequests, non-monetary expenditure or any fundraising costs.

This summary financial information was extracted from the statutory financial statements. It is consistent in substance with these statements notwithstanding the less technical language and content. The statutory financial statements were audited and are available on the Fairtrade ANZ Ltd website www.fairtrade.com.au.

* Included in this category are payments to Fairtrade International that support their International Aid Programs and all costs associated with Producer Support and Certification of Fairtrade Licensees.

BALANCE SHEET - AS AT 30TH JUNE 2015

Assets	14/15	13/14
Current assets		
Cash and cash equivalents	\$2,767,035	\$2,026,000
Trade and other receivables	\$701,125	\$409,783
Other financial assets	\$47,087	\$48,030
Total current assets	\$3,515,247	\$2,483,813
Non-Current Assets		
Property, plant and equipment	\$41,415	\$25,176
Intangible assets	\$38,343	\$58,822
Total non-current assets	\$79,758	\$83,998
Total assets	\$3,595,005	\$2,567,811
Liabilities	14/15	13/14
Current Liabilities		
Trade and other payables	\$918,004	\$520,533
Other financial liabilities	\$1,995,919	\$1,362,292
Provisions	\$76,406	\$65,147
Total current liabilities	\$2,990,329	\$1,947,972
Non-Current Liabilities		
Provisions	\$317	\$13,947
Total non-current liabilities	\$317	\$13,947
Total liabilities	\$2,990,646	\$1,961,919
Net assets	\$604,359	\$605,892
Equity	14/15	13/14
Reserves	\$315,789	\$322,625
Retained earnings	\$288,570	\$283,267
Total equity	\$604,359	\$605,892

At the 30th June 2015 Fairtrade ANZ Ltd has no balances in the following categories: current inventories, assets for sale, non current trade receivables, non current other financial assets, investment properties, short or long term borrowings, current tax liabilities, other current or long term liabilities, non current financial liabilities.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2015

Assets	Retained earnings	Reserves	Other	Total
Balance as at the 1 st July 2014	\$283,267	\$272,856	\$49,769	\$605,892
Items of other comprehensive income				
Excess of revenue over expenses	\$29,223	-	-\$30,756	-\$1,533
other amounts transferred to or from reserves	-\$23,920	\$23,920	-	-
Balance as at the 30th June 2015	\$288,570	\$296,776	\$19,013	\$604,359

This summary financial information was extracted from the statutory financial statements. It is consistent in substance with these statements notwithstanding the less technical language and content. The statutory financial statements were audited and are available on the Fairtrade ANZ Ltd website www.fairtrade.com.au.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2015

Cash Flows from Operating Activities	14/15	13/14
Receipts from grants	\$2,021,013	\$1,448,407
Payments to suppliers and employees	-\$3,177,548	-\$3,027,182
Receipts from licensees	\$1,925,090	\$1,873,372
Other income	\$4,577	\$49,170
Interest received	\$35,849	\$28,952
Net cash provided by/(used in) operating activities	\$808,981	\$372,719
Cash Flows from Investing Activities	14/15	13/14
Purchase of property plant and equipment	-\$38,096	-\$73,731
Cash Flows from Financing Activities	14/15	13/14
Effects on Forex changes on cash & equivalents	-\$29,850	\$27,531
Net increase/(decrease) in cash & equivalents held	\$741,035	\$326,519
Cash & equivalents at the start of the year	\$2,026,000	\$1,699,481
Cash & equivalents at the end of the year	\$2,767,035	\$2,026,000

STATEMENT OF CASH MOVEMENTS FOR DESIGNATED PURPOSES

	Cash available at start of financial year	*Cash raised during the financial year	Cash disbursed during the financial year	Cash available at end of financial year
IFAD- International Fund for Agricultural Development	\$198,374	-\$4,286	\$85,333	\$108,755
MFAT - Ministry of Foreign Affairs and Trade	\$1,085,564	\$811,208	\$838,379	\$1,058,393
DFAT - Department of Foreign Affairs and Trade	-	\$1,000,000	\$382,511	\$617,489
DFAT- Department of Foreign Affairs and Trade Tonga Vanilla Project	-	\$200,000	-	\$200,000
ICCO - Interchurch Organisation for Development Cooperation	\$62,019	\$10,832	\$72,851	-
BACP - Biodiversity and Agricultural Commodities Program	\$3,705	\$5	\$3,710	-
FLO - PSR - Fairtrade International - Producer Support Services	\$12,630	\$3,254	\$4,602	\$11,282
Total	\$1,362,292	\$2,021,013	\$1,387,386	\$1,995,919

* Note that the effect of Forex differences on translation of NZD to AUD are contained in the "Cash Received" column.

AUDITOR'S REPORT



Hayes Knight Audit

Chartered accountants - your partners in success.

Hayes Knight Audit Pty Ltd

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Melbourne, VIC 3000

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www.hayesknight.com.au

Registered Audit Company 291969

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL REPORT

The accompanying summary financial report, which comprises the balance sheet as at 30th June 2015, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended are derived from the audited financial report of Fairtrade Australia and New Zealand Ltd for the year ended 30th June 2015. We expressed an unmodified audit opinion on that financial report in our audit report dated 27th November 2015.

The summary financial report does not contain all the disclosures required by Australian Accounting Standards. Reading the summary financial report, therefore, is not a substitute for reading the audited financial report of Fairtrade Australia and New Zealand Ltd.

Directors' responsibility for the Summary Financial Report

The Directors are responsible for the preparation of the summary financial report in accordance with the ACFID Code of Conduct requirements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial report based on our procedures which were conducted in accordance with Auditing Standard ASA 810 Engagement to Report on Summary Financial Statements.

Opinion

In our opinion the summary financial report derived from the audited financial report of Fairtrade Australia and New Zealand Ltd for the year ended 30th June 2015 is consistent, in all material respects, with that audited financial report, in accordance with the ACFID Code of Conduct Requirements.

Hayes Knight Audit Pty Ltd
Melbourne

Andrew S Wehrens FCA
Director

27th November 2015

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Associated Offices: Adelaide | Auckland | Brisbane | Darwin | Melbourne | Perth | Sydney

DIRECTOR'S REPORT

Fairtrade Australia and New Zealand Ltd

A.C.N: 114 571 881

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 31, are in accordance with the Australian Charities and Not for profits Commission Act 2012, including:
 - a. comply with Accounting Standards Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the Australian Charities and Not for profits Commission Act 2012; and
 - b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors and subsection 60.15(2) of the Australian Charities and Not for profits Commission Regulation 2013.

Director



Dated this 27th day of November 2015

GOVERNANCE & STAKEHOLDERS

A BIG THANK YOU TO ALL

BOARD

Fairtrade Australia and New Zealand is governed by an independent, voluntary board, consisting of the following members:

TOP ROW, LEFT TO RIGHT:

- ➔ Valentina Tripp (Chair)
- ➔ Theo Simos
- ➔ Lisa Barker
- ➔ Gareth Edgecombe

BOTTOM ROW, LEFT TO RIGHT:

- ➔ Karen Mapusua
- ➔ Kim McKay
- ➔ Markerita Poutasi; and
- ➔ Delia Rickard



MEMBERS

Fairtrade Australia and New Zealand has four member organisations: Friends of the Earth Australia, Oxfam New Zealand, The Ethics Centre and Christian World Services.



OXFAM
New Zealand

PARTNERS & SUPPORTERS

A big thank you to all of our licensees, stakeholders and partners who have supported us over the past year. In particular, Fairtrade ANZ would like to thank MFAT, DFAT, IFAD and ICCO for their valuable support. We have also been very fortunate to receive invaluable pro-bono assistance over the past year from Allens Linklaters and KPMG and support from Derwent Executive Search.

Fairtrade ANZ's supported the Fairtrade Association of Australia and New Zealand (FTAANZ) to engage with local fair trade network groups such as councils, universities, workplaces, faith groups and schools who have made a commitment to fair trade.

Fairtrade ANZ also provided support as a Founding Partner to The Future Business Council, for their work advocating for reforms which will make Australia a more innovative, sustainable and resilient economy, and a global hub for future business.

ACCOUNTABILITY & ACCREDITATION

INCORPORATION AND CHARITABLE STATUS

Fairtrade Australia and New Zealand is a public company limited by guarantee under the Corporations Act and is a registered charity with the Australian Charities and Not-for-Profits Commission. Fairtrade Australia and New Zealand is a public benevolent institution and endorsed by the Australian Taxation Office as a Deductible Gift Recipient (DGR) and an Income Tax Exempt Charity.

ACFID MEMBERSHIP

Fairtrade ANZ became a member of Australian Council for International Development Code in December 2014 and adheres to the ACFID Code of Conduct (<https://acfid.asn.au/code-of-conduct>). The ACFID code of conduct sets standards of good practice for the governance, management and accountability of not-government organisations and aims to improve to improve international development outcomes and increased stakeholder trust by enhancing the transparency and accountability of signatory organisations.



COUNCIL FOR INTERNATIONAL DEVELOPMENT

Fairtrade ANZ is a member of the New Zealand Council for International Development (CID), the national umbrella agency representing over 50 members from the aid and development sector in New Zealand. CID exists to support effective aid and development programmes with the vision of achieving a sustainable world free from poverty and injustice. As a member, Fairtrade ANZ adheres to the CID Code of Conduct.



FEEDBACK & COMPLAINTS

Feedback on this report and on our operations and conduct more generally can be sent to: Molly Harriss Olson, CEO, 312 838 Collins Street, Docklands Vic, 3008.

To lodge a complaint against our organisation, please email our Legal and Administration Manager at info@fairtrade.com.au.

Our complaints handling policy can be found on our website (www.fairtrade.com.au/page/about-fairtrade-australia-new-zealand). If you are not satisfied with the response and believe our organisation has breached the ACFID Code of Conduct or the CID Code of Conduct, you can lodge a complaint:

- ➡ With the ACFID Code of Conduct Committee at code@acfid.asn.au. Information about how to make a complaint can be found at www.acfid.asn.au
- ➡ With the CID Code of Conduct Committee at code@cid.org.nz. Information on how to make a complaint can be found at www.cid.org.nz

IMAGE CREDITS

COVER

Fairtrade Australia and New Zealand have supported the design of a gender focused bulb onion project with Highland Organic Agriculture Cooperative (HOAC), aimed at empowering women farming communities within HOAC's membership through a practical approach to business capacity building, income generation and encouragement for participation and decision making.

INSIDE FRONT COVER

Kenneth Soga, Highlands Organic Agriculture Cooperative Field Officer, Papua New Guinea.

PAGE 4

The Honorable Julie Bishop, Australian Minister for Foreign Affairs and Trade joins Fairtrade Leaders at the Fairtrade Asia Indo-Pacific New Markets Forum

Molly Harriss Olson, CEO Fairtrade Australia & New Zealand; Armia Zuhri, Director Permata Gayo Cooperative Indonesia; The Honorable Julie Bishop MP, Minister for Foreign Affairs and Trade, Minister For Foreign Affairs; Parbindra Singh, Pacific Representative Fairtrade Network of Asian and Pacific Producers (NAPP) Board of Directors; Daniel Kinne, Chairperson Highland Organic Agricultural Cooperative Papua New Guinea; and Harriet Lamb, CEO Fairtrade International.

PAGE 5

Presentations at the Fairtrade Asia Indo-Pacific New Markets Forum

Left: Sam Himstedt, Managing Director, Queen Fine Foods.

Right: The Honorable Julie Bishop MP, Minister For Foreign Affairs.

PAGE 6

Sign With Mary Roadshow

Left: Molly Harriss Olson, CEO Fairtrade Australia & New Zealand; Mary Appiah, Kuapa Kokoo cooperative in Ghana; and Jackie Healing, General Manager Coles Brand and Quality, at the Coles Sign With Mary Petition Presentation.

Right: Students from Endeavour College, Adelaide with Mary Appiah, cocoa farmer from Kuapa Kokoo cooperative in Ghana.

PAGE 9

Pacific producers benefit from trader visits and governance training sessions

Top Left: Mela Napiyang, Social Manager Nekkasi Coffee Growers Cooperative Society using a motorbike funded by the Fairtrade Premium to assess water needs throughout 8 mountainous villages.

Bottom Left: Daniel Kinne, Chairperson Highland Organic Agricultural Cooperative Papua New Guinea facilitates a community tour for Fairtrade coffee roasters from Sacred Grounds Organic, Griffiths and Montville Coffee.

Right: Sakabo Melong, Nekkasi Coffee Growers Cooperative Society Deputy Chair participating in the Pacific Good Governance training.

PAGE 10:

Fairtrade gold mined in Uganda.

Watula Stephen holding a grain of gold. Syanyonja Artisanal Miners Association (SAMA), Uganda.

PAGE 11:

Fairtrade vanilla grown by the Vanilla Growers Association of Vava'u (VGA)

VGA member Pasepa Lolohea holds Fairtrade vanilla.

INSIDE BACK COVER

Members of Highlands Organic Agriculture Cooperative, proud coffee growers from Papua New Guinea.



THANK YOU

TO ALL OUR SUPPORTERS, LICENSEES, RETAILERS AND CONSUMERS
FOR CHOOSING FAIRTRADE TO HELP FARMERS BUILD BETTER
FUTURES FOR THEMSELVES, AND IMPROVE WORKING CONDITIONS
AROUND THE WORLD.

CONTACT US

If you have any queries or would like more information please go to:

Australia New Zealand
www.fairtrade.com.au www.fairtrade.org.nz

 /FairtradeAU  /FairtradeNewZealand

 @FairtradeAU  @FairtradeNZ

Or email us at:

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