



A better  
deal for  
farmers



**VECO**  
**Annual Report 2015**



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## Introduction

### Beyond the delusions of the day

We are living in turbulent times. Left versus right discussions have shifted to the background, and today it's the contest between open and closed societies that seems to matter. Not only in the US with the campaigns of Trump and Clinton this becomes clear. The Economist states that also across Europe, the politicians with momentum are those who argue that the world is a nasty, threatening place and that wise nations should build walls to keep it out. The possibility to live a secure and prosperous life is precious, especially in times of terror, threat and refugees. The Brussels bombings of March 22 reinforced feelings of powerlessness. Now that the delusion of the day has faded, the fundamental questions finally surface. How do we build a society without violence, with a place and opportunities for everyone?

How can civil society organisations contribute to this? And what role can VECO play?

Can we counteract migration flows by investing in family farming and farmer organisations in the South? Do we contribute to inclusive societies with our efforts to put sustainability high on the agenda? Most probably, it will not work that linearly or directly. Hundreds of other elements come into play, such as future prospects for youngsters; opportunities to access a decent income; possibilities for people to feel connected with and fulfilled within their families, organisations and communities, and to notice and appreciate their own contributions as a farmer, a citizen, a youngster... However, we hope to play a modest and humble role, maybe even if it were by taking the lead in doing things differently, in interacting with each

other in a different way differently, in connecting farmer organisations with companies and public authorities, in engaging in dialogue...

In 2015 VECO started to transform itself into an organisation with an international governance structure. We continue to move away from the typical development cooperation organisation in which knowledge, expertise and money flows from the 'Western world' toward developing countries are central. We are putting our local staff, partners and stakeholders into the center of the organisation and upon their shoulders we will build bigger impact and contribute to a better world. Thank you for taking these steps with us and thank you for your support!

*Chris Claes*

*Director VECO International (acting)*



Vredeseilanden is a Belgian NGO that enables and supports smallholder farmers to take up their role in rural poverty alleviation and to contribute to feeding a growing world population in a sustainable way. We support our partner organisations through 8 Vredeseilanden Country Offices (VECOs). That is why, outside Belgium, the organisation is mainly known as VECO. In this annual report, we use both.





## Sustainability report according to the Global Reporting Initiative

For the seventh year in a row, this annual report has been drafted in accordance with GRI, Global Reporting Initiative, criteria. An increasing number of large companies and organisations worldwide commit to reporting in this sustainability framework and to describing their economic, social and environmental impact. ([www.globalreporting.org](http://www.globalreporting.org))

VECO was one of the NGO pioneers in Belgium to follow the GRI criteria in its annual report, and we were rewarded for that: our annual report 2013 won the award for the best Belgian Sustainability Report in the category NGOs. The prize was awarded by the Institute of Company Auditors. ([www.bestbelgiansustainabilityreport.be](http://www.bestbelgiansustainabilityreport.be))

In our reporting we take into account the special GRI indicators for the NGO sector. That means focusing

specifically on the public's growing demand for accountability and reporting in a transparent manner on how the public and private donations are spent. At the same time GRI's basic philosophy is maintained and NGOs are also required to report on the positive and negative impacts of their activities at the economic, social and environmental levels.

Last year we reported for the first time according to the G4 standard. We opted then – and also in this report – for the 'in accordance – core' option. In GRI language this means that we will only report on core indicators, and that we will treat at least one indicator per 'material' (that is: most relevant and impactful) aspect. The complete overview of all GRI indicators is included at the end of this report (see page 75). We did not seek external validation for this report.



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## G4 and stakeholder involvement

The G4 standard strongly emphasises stakeholder involvement to determine the most relevant and impactful aspects for VECO's reporting. We did this exercise during the General Assembly of June 2015, as our main stakeholder groups are represented in our GA (see list on page 11-13).

The following aspects are essential for VECO to be included in our annual report, as they concern the core of our work. This was confirmed by the members of the GA:

- The economic impact of our activities on the farming families with whom and for whom we work: we measure this every three years in our impact assessment (the next one is scheduled for late 2016).
- The allocation of our resources and the ethical codes for our fundraising, including the way how we protect the privacy of our donors: all of these aspects are being treated in the financial chapter every year.
- The total number of staff and their rotation: you can find the graphs in chapter 4.
- An explanation of how we plan, monitor, evaluate and account for our programme activities: this is also a part of our annual reporting.

In addition to this, our stakeholders regarded the following aspects as being the most important and relevant:

With regard to the environment:

1. Contribution to the protection and restoration of the biodiversity in specific areas
2. Water consumption in our offices and the greenhouse gas emissions from the transport of staff

With regard to human resources:

3. Equal pay for men and women
4. Training opportunities for employees
5. The percentage of local staff in the executive and senior management

With regard to our programme activities:

6. Stakeholder involvement in the planning and implementation of our programmes
7. Labour conditions in the various agricultural chains supported by VECO
8. Determining advocacy positions and describing campaign results

With regard to finances:

9. Policy and procedures to assess risks related to corruption

We have retained all of these Specific Disclosures and will report on them this year and in the coming years, except for:

- Biodiversity: this aspect is part of our approach towards more ecological sustainability (see page 49) and we will measure our contribution to preserving or increasing biodiversity in this context. So in the future we will report on it.
- Labour conditions: we have not yet developed specific measuring tools for this aspect. We find it more important to outline the complete impact of our activities on the living conditions of the members of farmers' organisations (men and women). This is being done during the triennial impact measurements.
- Percentage of local employees in executive bodies: we will report on this from next year on.

## Boundaries of this report

This annual report covers the calendar year 2015 and was first published on the Dutch VECO website after approval by the General Assembly on June 18th, 2016. Like every year, we combine our annual report with

sustainability reporting and we report on all the 15 countries where VECO is active (in Belgium and in Africa, Latin-America and Asia – see list on page 15).





## Chapter 1: This was 2015...

Vredeseilanden/VECO is active in 14 countries in Africa, Asia and Latin America. In 2015 we provided support and financial assistance to 134 partner organisations. In doing so, we directly reached more than 80,000 farming families.

In Belgium we continued to work together with front-running business leaders, civil society organisations and governments, with catering services across the country, and with volunteers and inspiring people who reflect on the future of agriculture and food supply in a global context.

We managed a worldwide budget of 13,276,255 euros. The largest part of our resources was spent in Indonesia and the African countries. More and more VECO-offices in Africa, Asia and

Latin America collect their own funds from local foundations or governments. 18% of our resources consists of private donations, mainly from Belgium. The donations that we receive via sports events are gaining importance.

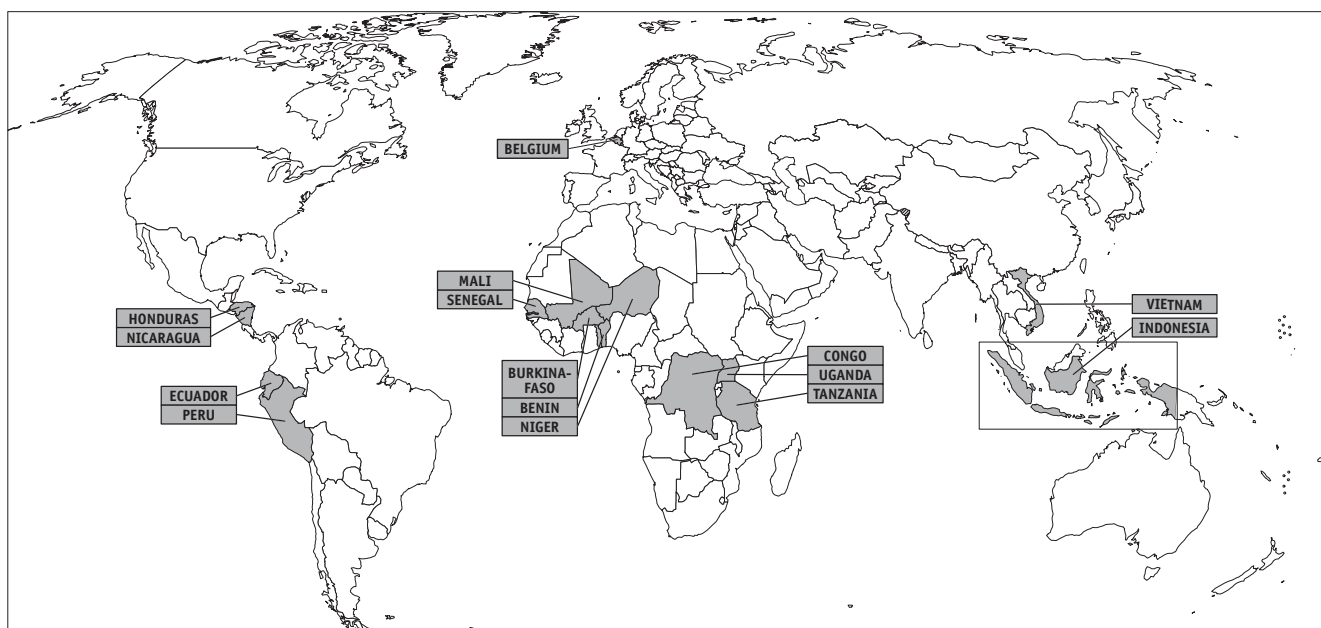
VECO employs 166 people worldwide. 56% of the employees are men, 44% are women. The average age of the employees is 42.

In December, VECO achieved the EFQM label "Recognised for Excellence" for quality care and continuous improvement in the management and administration of our organisation.

VECO evolved further towards a network organisation, with a more horizontal structure and more administrative responsibilities for the various offices

in Africa, Asia and Latin America. Whereas the organisation to date was directed by a General Assembly, a Board of Directors and a main office in Belgium, we continued to evolve towards an international steering of our operations (see page 35).

In 2015, as in previous years, VECO received a lot of recognition for its work. It happened ten times that a VECO colleague was invited to talk at an international conference. We also received invitations from six new international networks to work more closely together. For instance, in creating a platform to monitor the development of farmers' organisations, or in organising trainings on sustainability standards in the rice sector. In that way, our experiences get international resonance.



## Inclusive Business Scan: the farmers' voice

With the support of the Bill & Melinda Gates Foundation, VECO developed the '*Inclusive Business Scan*' – a method that allows farmers to give feedback on their position in a certain agricultural chain. The method is based on SenseMaker®, an innovative way by which a large number of fragmented stories can be interpreted by the narrators themselves, in other words: the farmers. Qualitative data are converted into patterns and figures through

SenseMaker, and offer us a better insight into the complex relations between the farmer and the buyers of their products. By exposing patterns, we are able to make VECO-programmes more consistent with what the farmers think themselves and where they see bottlenecks. The Inclusive Business Scan was implemented in Nicaragua, Indonesia, Senegal and the DR Congo. In doing so, we gathered the opinion of over 2500 farmers.

## The Foodture

On December 8, the Brussels Kaaithheater was packed with people for *The Foodture*, a colloquium and cultural event on the future of our food, which we organised together with FEVIA (Federation of Belgian Food Industry), Boerenbond (Belgian Farmers' Union), Fairtrade Belgium and The Shift (the Belgian meeting point for sustainability). We presented nine to do's for a more sustainable

procurement in the food and retail sector. In the evening, five key guest speakers exposed their vision on the topic, and this from different angles. At the same time, through the campaign *Let's #SaveTheFoodture*, we challenged Belgian supermarkets to look beyond low prices and to make sustainable food the standard in procurement policies.

## A new website for VECO

In October 2015 we launched a new VECO-website. Three principles were prior to its development: to communicate even more transparently about VECO-activities and achievements; to put the people behind VECO in front, as well as their experiences; and to give a more accurate presentation of the various regions where VECO is active.

We also added the possibility for crowdfunding or the setting up of sponsoring actions on our website.

The new website has a lot more visitors. On top of that, an increasing number of visitors follows our English blog, or registers to our e-newsletters.

## Environmental achievements

Electricity and water consumption at the head office has decreased for the third year in a row. However, the number of airplane travels increased hugely, due to the many meetings in person that were required to give form to our new organisational structure, and due

to the increased number of mountain-biking trips for fundraising. Investing on high quality ICT infrastructure and good internet connections (where possible) is a point of interest for the coming years.

## Chapter 2: About VECO



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### 1. Why VECO?

To contribute in a sustainable way to the feeding of a growing world population. To ensure a better livelihood for farming families. To make sure everyone has a fair share in the value chain, also small-scale farmers. These are the objectives of VECO.

- This is why VECO supports farmers (m/f) all over the world to organise themselves better in strong commercial organisations that can meet the market demand.
- This is why we cooperate with various players from agricultural chains (seeds suppliers, wholesalers, processing companies, distributors, supermarkets and consumers) and we strengthen the position of the

farmers' organisations in those agricultural chains, so that they can take their future in their own hands and obtain the price their product is worth.

- This is why VECO goes to governments and companies, to look together how their policy can create opportunities for farming families.

However... how do you start with that? That is exactly what VECO is investigating. Always with our different stakeholders: farmers' organisations, companies, research institutions and governments. Performing market studies, organising continuous consultation, sharpening the commercial capacities of farmers' organisations, building new knowledge, convincing governments and companies of the

potential of small-scale farming,...

Not only in Africa, Latin-America and Asia, but also in Belgium, cooperation and dialogue are pivotal. With leaders from businesses, civil society organisations and governments, with catering companies all over the country, with inspiring people who think about a different economy. For it is not enough to be solidary by helping people elsewhere in the world. Real solidarity requires a worldwide transition to a sustainable economy, with a sustainable production and consumption of food.

Thanks to the efforts of thousands of volunteers and the choices of engaged consumers, these are not merely words.

## 2. Structural changes and pilot projects

As VECO we do not only want to make a difference for the thousands of farmers with whom we directly work together. Our ambitions reach further. Therefore, we have been highlighting for a few years certain well-described structural changes that we want to achieve.

A structural change is:

- a change in the policy of a country or region, or of a major player;
- a sustainable change;
- a change that goes beyond a concrete project with a limited group of family farmers;
- a change that is important to multiple stakeholders.

Examples are: changing the purchasing policy of a certain company, making agricultural credit in a certain country more accessible or reviving the coffee sector in a region.

These agendas for structural change are paramount as a guide. The concrete work with farmers' organisations in the various agricultural chains are then 'pilot projects': innovative projects or examples that give us evidence to achieve structural change. We differentiate between two kinds of pilot projects, each with its own, specific approach.

- Governments are faced with enormous challenges to feed their growing city populations. VECO supports the development of

efficient agricultural chains and market systems, whereby farmers' organisations can provide basic food for their region. The accent is on high volumes of a certain product, low transportation expenses and a constant supply.

- In recent years, customers attach much importance to high and uniform quality and safety standards, product availability throughout the year, sustainability, traceability,... so markets and companies constantly adapt and search for more cooperation with family farmers' organisations, especially for niche products. VECO joins the search for win-win situations and tries to make modern markets 'inclusive' for farmers' organisations.



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### 3. Our stakeholders

Constant consultation and dialogue with our stakeholders are in VECO's DNA. So who are the key stakeholders to achieve our mission together in the years ahead? You can find them listed below. Overall, we can state that flexible partnerships and ad hoc collaborations with our stakeholders are more necessary than ever. More and more flexibility is required to take advantage of the quickly changing world and suddenly emerging market opportunities for farmers' organisations.

#### 3.1. Partner organisations, their members and local communities

Farmers' organisations are our main stakeholders in Africa, Latin-America and Asia. We support them both in their economic development and their activities to adapt legislation in their country. About two thirds of our partner organisations are farmers' organisations. In 2015 we supported directly 134 organisations in 14 countries in Africa, Latin America and Asia. About 54,000 men and almost 28,000 women are thus enjoying our direct support.

However, this is only half of the story. To realize our structural agendas we also cooperate – directly or indirectly – with other organisations: companies, governments, credit institutions, chambers of commerce, civil society organisations like NGOs, consumer organisations,... Some of them are financially supported by VECO. With each of the partner organisations that receive money from us, we make a three-year cooperation agreement. This is described in the Chain Intervention Framework (CIF – see page 20). Apart from that, each year we elaborate a partner contract, linked to the actionplan for that year.

Wherever possible, we want to evolve towards a partnership based on exchanging knowledge, instead of a donor partnership. Therefore, in the new programme we will stress even more financing of specific interventions in an agricultural chain instead of funding the general operations of a farmers' organisation or NGO. Private players can be paid for very concrete activities to make their specific expertise available, e.g. to organise certain trainings in quality control.

Very often, minority groups are the weakest groups in society. VECO does not choose its area of activities by ethnic criteria, but when minority groups are involved in the agricultural chain, we give extra attention to their empowerment. This is the case in for example Honduras (Lenca) and in DR Congo (WaMbuti pygmies).

#### 3.2. Donors

In the financial chapter and in the annex you will find an overview of all our international and Belgian donors (see pages 72 and 73). Without the donors VECO would not exist. We can break them down into the following categories:

- Governments
- Companies
- Foundations and NGOs
- Donations of private persons
- In-kind donors

#### 3.3. Private companies

Private companies are important partners in the accomplishment of the VECO mission. If we wish to reorganise the agricultural chains in order to give the farmers' organisations a stronger voice in their cooperation with other actors within the chain, we have to

involve companies in our activities. We believe that companies are a driving force for society and we believe that they can contribute to sustainable development.

Throughout the years – and we will continue investing in this – we have often taken the initiative to gather companies, NGOs and other actors such as governments and scientific institutions around one table. This can be done through networks for example, but is also often done in a direct relation. We talk with companies, experiment and exchange knowledge about both our role and their role in the agricultural chain and family farming in general. According to VECO companies have two leverage systems. On the one hand companies can research how they can buy sustainable raw materials and agricultural produce from family farms. On the other hand companies can invest in the development of sustainable family farming by, for example, providing credit within the chain, by concluding stable delivery contracts, by co-investing in farm cooperatives...

Nevertheless, we are not naive. We know that some companies window dress in many ways in their marketing. We know there is still a lot of greenwashing. However, we especially want to look forward and set up innovative projects, including with the leaders of the corporate world who apply the principles of socially responsible entrepreneurship in their core activities.

#### 3.4. Governments

Governments are responsible for the frameworks in which family farming can be developed: rural infrastructure, agricultural research and education as well as legislation. Legislation to protect, for

example, farmland from speculation and (foreign) big investors, to limit monopolies of wholesalers and distributors etc. Good legislation can, however, also stimulate the development of farmers' organisations, or motivate banks to offer agricultural credits.

### 3.5. Knowledge institutions

Knowledge institutions such as universities, colleges and research institutions do not only focus on research, knowledge building and dissemination, but also play an important role in (co-)innovation. By participating in networks with companies, governments and NGOs the knowledge institutions can have a better sense of the needs of society. Furthermore, such cooperation allows for a swifter application of new knowledge.

### 3.6. Youth

The average age of farmers (f/m) worldwide is about 60 years. If we want our agriculture to have a future, we need to offer young people opportunities within the agricultural sector. In the past year, young people have become important stakeholders of our operations in the Andes region, in Indonesia, and recently in Central America. In the coming years we want to give this group also in other regions a voice, in a more explicit way.

In Belgium, VECO has a longstanding tradition of cooperation with schools and youth associations. They not only join our annual campaign but also create more sustainability in their operations. Apart from that, we also

aim at individual young people who want to think with us about the future of our food system.

### 3.7. Volunteers and social base in Belgium

Each year in January we take to the streets with about 8,000 volunteers to raise awareness on and ask support for farmer families in the world. Next to that, there are many volunteers who, also in 2015, dedicated their time throughout the whole year to VECO (translators, host families, volunteers who talk about VECO in schools etc.). You can find the figures on page 43.

VECO has thousands of supporters who subscribe to our newsletter or our Facebook pages and thus stay informed about the VECO activities. About 5,000 people received a monthly electronic newsletter in their mailbox. We have over 8000 followers on our dutch Facebook page and more than 2000 on our dutch Twitter account. Over 200,000 people visited our website last year. Our private donors obviously also form an important part of our social constituency. Besides that, there are people who participate in various fundraising events and support VECO this way.

### 3.8. Belgian and international networks

VECO is active in many organisations and networks of organisations that defend the interest of farmers' families and/or advocate for a more sustainable small-scale agriculture and the consumption of sustainable products.

International networks:

- Sustainable Food Lab: VECO is a member;
- Cocoa Sustainability Partnership in Indonesia: VECO is a member of the Board;
- Sustainable Rice Platform: VECO is a member;
- Seas of Change: VECO is a member;
- Offensive Riz en Afrique de l'Ouest: VECO executes part of this programme;
- European Venture Philanthropy Association: VECO is a member;
- Agribusiness Market Ecosystem Alliance (AMEA) platform: VECO is founding member.

Networks in Belgium:

- NGO-federation: VECO is a member of the Board, the Finance working group, the HRM working group, the Global education working group and the Administrative simplification working group;
- 11.11.11: VECO is a member of the Board and other consultation structures;
- Transition network Civil Society: VECO is a member;
- The Shift: VECO is a member of the General Assembly;
- Alterfin: VECO is chairman of the Board;
- Mo\*: VECO is a member of the Board;
- BioForum: VECO is a member of the Board;
- FairTradeTowns: VECO is a member of the steering committee;
- Fair Trade Belgium: VECO is a member of the Board;
- Coalition against Hunger: VECO is a member of the steering committee;

- Banaba International North-South Cooperation of the Leuven University College: VECO is a member of the steering committee;
- Network Sustainable Consumption: VECO is a member of the Board;
- Entrepreneurs for Entrepreneurs: VECO is member of the General Assembly;
- New B: VECO is member of the General Assembly;
- Colibri Foundation for Education: VECO was member of the Board until early 2015;
- Association for Ethical Fundraising: VECO is member of the General Assembly;
- Climate coalition: VECO is a member;
- Kampani: VECO is founder and a member of the Board of Directors.

### **3.9. Institutional kitchens and catering companies in Belgium**

A consumer or chef who chooses sustainable food has an enormous influence on the policy and practice of farmers and companies in the food sector. In our current Belgian society people eat out more and more. The out of home market for food represents 39% of the food market. Within this out of home market, the social catering that is provided in closed communities (such as company canteens, school meals, meals in retirement homes and hospitals) stands for 35%, meaning that this sector cannot be neglected. Together with the stewards and chefs we try to offer their customers the most sustainable meals possible. We do this, on the

one hand through coaching tracks tailored to the kitchens, and on the other hand through round tables. You can find more on this on page 29.

### **3.10. Journalists**

VECO wants to be a reliable reference for journalists when it concerns topics that relate to sustainable agriculture and food.

### **3.11. VECO staff**

Naturally all VECO staff are important stakeholders as well. Regular internal briefings provide an information flow and feedback to colleagues. We give our ex-staff members the opportunity to be part of our General Assembly.





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## Chapter 3: VECO worldwide

### 1. Introduction

2015 was the second year of a three years programme cycle. On the fol-

lowing pages you can read more about the main progress, setbacks and results in our various programmes. The table below provides an overview of the

products that are core to our operations.

South and Central America	
Ecuador	coffee, cocoa, vegetables
Peru	coffee
Nicaragua	vegetables, cocoa, corn
Honduras	vegetables, cocoa
Africa	
Senegal	rice, bananas, sesame, sesame oil
Benin	rice
Burkina Faso	rice
Niger	rice
Uganda	rice, vegetables, fruit, peanuts
Tanzania	rice, vegetables, fruit
DR Congo	rice, coffee
Asia	
Indonesia	organic rice, coffee, cocoa, cinnamon
Vietnam	safe vegetables, tea

The list on the following pages contains an overview of all our partner organisations who received financing in 2015 and outlines their role in the overall programme. The bulk of those organisations – mainly farmers' organisations – execute interventions that allow them to reach their members directly. That in turn allows us to indicate precisely how many men and women are benefiting.

Nevertheless, this is only half the story. It is an inherent part of our strategy to encourage other organisations and governments to replicate successful experiences at a much larger scale and to achieve structural changes by doing advocacy work towards private companies and governments, so that multiple farmer families also get the opportunity to lead a better life. For partner organisations that are involved in that policy work it is much more difficult to

calculate how many people benefit from their actions, which is why we chose not to mention any numbers. The same applies to organisations who try to raise consumers' awareness.

In 2015, VECO supported directly 134 organisations in 14 countries in Africa, Latin America and Asia. Some 54,000 men and 28,000 women received VECO's support.



Country	Region	Theme collaboration
Ecuador	Intag	coffee
Ecuador	Quito	coffee
Ecuador	Tungurahua	vegetables
Ecuador	Suscal	vegetables
Ecuador	Esmeraldas	cocoa
Ecuador	national	policy on coffee
Peru	Junin	coffee
Peru	Junin	coffee
Peru	San Martin	coffee
Peru	Trujillo	asparagus
Peru	national	policy on coffee
Nicaragua	Posoltega	bananas
Nicaragua	Waslala	cocoa
Nicaragua	Matiguas	cocoa
Nicaragua	national	policy on cocoa
Nicaragua	Nueva Segovia	corn
Nicaragua	Jinotega	vegetables
Nicaragua	Matagalpa	vegetables
Nicaragua	Matagalpa	vegetables
Nicaragua	national	general policy on export
Nicaragua and Honduras	national	economic collaboration between cooperatives
Honduras	Copan	cocoa
Honduras	Olancho	cocoa
Honduras	national	research
Honduras	Intibucá	vegetables
Honduras	national	policy on vegetables
Honduras	national	policy on cocoa
Indonesia	Flores	cocoa
Indonesia	Sulawesi	cocoa
Indonesia	Sulawesi	coffee
Indonesia	Flores	coffee
Indonesia	East-Java	coffee
Indonesia	Central Java	healthy rice
Indonesia	West Java	healthy rice
Indonesia	Flores	healthy rice
Indonesia	Kerinci	cinnamon
Indonesia	national	policy on rice
Indonesia	national	policy on cocoa
Indonesia	national	policy on coffee
Vietnam	Phu Tho	healthy vegetables
Vietnam	Ha Nam	healthy vegetables
Vietnam	Hanoi	healthy vegetables
Vietnam	Phu Tho	tea

Partner organisations	Target group (M)	Target group (F)
La Asociación Agro-artesanal de Caficultores Rio Intag (AACRI)	127	23
CONQUITO	103	21
Union of Agroecological Producer Organizations and Trade in Tungurahua (PACAT)	94	306
Chuya Mikuna	8	36
Unión de Organizaciones Productoras de Cacao Arriba de Esmeraldas (UOPROCAE)	123	35
FAPECAFES, APECAP, ECOPAR		
Cooperativa Agraria Cafetalera Pangoa	547	131
Cooperativa Agraria Cafetalera Satipo	382	129
Oro Verde	790	90
La Red De Organizaciones Productivas Agropecuarias (REOPA)	63	17
Junta Nacional de Café (JNC)		
Cooperativa Multisectorial Ángela Delgado (COOPEMAD) and Cooperativa Multisectorial La Esperanza de Chiquimulapa (COOPEMUCHIQ)	0	57
CACAONICA	255	43
La Campesina	359	47
Mesa Nacional Cacao		
CCAJ	225	56
COOSMPROJIN	62	16
COPRAHOR	41	4
ECOVEGETALES	77	17
Asociacion de Productores y Exportadores de Nicaragua (APEN)		
PECOSOL		
COAGRICSAL	270	79
APROSACAO	377	50
Fundación Hondureña de Investigación Agraria (FHIA)		
Association de familias agropecurias artesanales Intibucanas Lencas (ASOFAIL)	200	85
Consorcio Agrocomercial de Honduras, FHIA		
Comité National de Cadena de Cacao (APROCACHO), FIDE, CATIE		
Yayasan Ayu Tani (YAT), Jeringan Petani Wulang Gitang (JANTAN), Cacao Farmer Association Nangpenda (SIKAP), SIKKA Farmer Organisation	596	197
Yayasan Wahana Sukses Pertanian Terpadang (WASIAT), Pusat Koperasi Tani Kakao AMANAH, Farmer Cooperative Masagena, Cahaya Sehati, Parimo, Tinombo	8.586	913
Yayasan Jaya Lestari Desa (JALESA), Perhimpunan Petani Kopi Toraja (PPKT), Benteng Alla	3.182	389
Delegasi Sosial (Delsos), Lembaga Advokasi Masyarakat (LAPMAS), Society community Watuata (PERMATA), Asosiasi Petani Kopi Manggarai (ASNIKOM), Farmers Ende coffee organisation, Semeru Yaya	2.996	883
Semeru Jaya (FO), LPKP-Malang (NGO), YPKGM-Lumajang (NGO)	28	9
Lembaga Studi Kemasyarakatan dan Bina Bakat (LSK-BB), Asosiasi Petani Padi Organik Boyolali (APPOLI), Organic Farmers Organisation Boyolali (APOB)	6.262	1.210
Simpatik	606	107
Yayasan Mitra Tani Mandiri Ngada (YMTM-Ngada), Assosiasi Petani Organik Mbay (ATOM)	4.426	764
Mitra Aksi	830	226
Aliansi Petani Indonesia (API), YAPSI, PPLH Bali, YLKI, AOI		
Cocoa Sustainable Partnership		
Specialty Coffee Association of Indonesia		
Tan Duc Safe Vegetable Cooperative, Plant Protection Department of Phu Tho Province	30	99
Trac Van Organic Vegetable collaboration group, Ha Nam Women's Union	1	18
CECAD Hoa Binh - Tan Lac	3	14
Luong Son Tea Cooperative	52	115

Country	Region	Theme collaboration
DR Congo	South Kivu	rice
DR Congo	North Kivu	rice
DR Congo	North Kivu, South Kivu, Ituri	coffee
DR Congo	North Kivu, South Kivu	policy
DR Congo	national	policy
Senegal	Tambacounda	bananas
Senegal	national	policy on bananas
Senegal	Velingara	rice
Senegal	Podor	rice
Senegal	Sokone	sesame
Senegal	national	policy on sesame
Senegal	national	policy on rice
Benin	Collines	rice
Benin	Collines	parboiled rice
Benin	national	policy on rice
Burkina	Douna	rice
Burkina	Douna	rice
Burkina	national	rice
Burkina	national	policy on rice
Burkina	national	policy
Mali	national	rice
Mali	national	policy
Niger	national	policy on rice
Niger	Gaya	rice
Tanzania	Simanjiro	sustainable agriculture
Tanzania	Moshi	vegetables and fruit
Tanzania	Moshi	rice
Tanzania	Kilimanjaro, Moshi	passion fruit and other fruits or vegetables
Tanzania	Arumeru	fruits and vegetables
Tanzania	national	fruits and vegetables
Uganda	Bugiri, Pallisa	peanuts
Uganda	Butaleja	rice
Uganda	East Uganda	fruits and vegetables
Uganda	national	policy
<b>TOTAL</b>		

Partner organisations	Target group (M)	Target group (F)
COOPABA, CCOOSOPROA, ADPA	213	136
Ligue des Organisations des femmes Paysannes au Congo (LOFEPACO), Programme de Réhabilitation et de Protection des Pygmées (PREPPYG), Association des Paysans pour le Développement Rural (APADER), Coopérative Centrale du Kivu (COOCENKI), Syndicat pour la Défense des Intérêts Paysans (SYDIP), SAPIN	303	183
Kawa Kenja (CPNCK), Kawa Kabuya, Kawa Kanzururu, Kawa Maber	3.954	993
La Fédération des Organisations Paysannes au Congo (FOPAC)		
Confédération Nationale des Producteurs Agricole du Congo (CONAPAC)		
Association des Producteurs de la Vallée du Fleuve Gambie (APROVAG)	532	321
Union National de la filière de banane au Sénégal (UNAFIBS)		
Fédération des Producteurs de Riz du bassin de l'Anambé (FEBROBA)	2.460	1.447
Union des Jeunes Agriculteurs de Koyli Wirnde (UJAK)	1.973	2.827
Fédération des Unions des Groupements Associés du Niombato (UGAN)	1.263	2,521
Fédération des Producteurs et Productrices de Sésame (FENPROSE)		
Fédération Nationale des Producteurs du Riz au Sénégal (FNPRS)		
Union des Riziculteurs du Centre (UNIRIZ-C)	3.742	4.766
Union Régionale des Étuveuses de riz des Collines (URFER-C)	0	1.500
Conseil de Concertation des Riziculteurs du Bénin (CCR-B)		
Union Départementale des producteurs de riz de Douna	516	1.806
Union Départementale des étuveuses de riz de Douna (UDERD)	0	290
Union Nationale des Producteurs du Riz du Burkina (UNPRB)		
Comité Interprofessionnel du Riz au Burkina (CIRB)		
Union Nationale des étuveuses de riz au Burkina		
Plateforme Nationale des Producteurs de riz au Mali		
Conseil Nationale des Organisations Paysannes au Mali		
FUCOPRI		
Sabon Sari	0	208
Simanjiro District Council		
Moshi District Council		
LOMIA	3.185	565
Kahe horticulture cooperative society, Kibo Hort cooperative	206	133
Muvikiho, Kibiu, Meha, Mayovega, Midawe Mshikamano, Midawe Umoja, Latrok, Parachich, Wakibiki, Ushauri	468	264
Tanzania Horticultural Association (TAHA)		
Bugiri District Farmers Association, Pallisa District Farmers Association	2.701	3.276
Doho Irrigation Farmers' Cooperative Society	498	67
4 cooperatives (Bududa, Tororo, Kwapa and Sabiny)	508	256
Uganda Cooperative Alliance, Uganda National Farmers' Federation (UNFFE)		
<b>134 partner organisations</b>	<b>54.223</b>	<b>27.745</b>

## 2. Monitoring of our programmes

As was the case last year, all programmes in the South are planned and monitored by means of the **Chain Intervention Framework (CIF)**. This framework clearly states for all our activities interventions in the agricultural chain, but also lobbying and consumer actions) what the intervention is aiming at and how it hopes to achieve the expected results. This working method ensures a standardized approach in all regions where Vredes- eilanden is active. The CIFs serve as a basis for drafting the annual operational plans of partner organisations and VECO. This system leads to a more active participation of the team and partner organisations in the programme development. An important advantage of the CIF is that the concrete changes in the chain are monitored as well as the way in which all stakeholders have contributed to those changes. Every six months an update of the **Chain Intervention Report (CIR)** is made for every chain and this provides the basis for the annual reporting.

The CIF has become an important component of the comprehensive **Planning, Learning and Accountability system (PLAs)** of VECO, a monitoring and evaluation system that mainly aims at learning from successes and failures. The PLA system provides a framework for the systematic collection of data and the use of those data for continuous programme control. But the PLA particularly wants to do more than that. The objective is to stimulate critical reflection and to share views with colleagues, but also with external stakeholders. The PLA system is based upon a number of principles:

- *Utility*: the PLA system needs to be

useful for the programme actors who produce and use the information.

- *Participation*: VECO wants to move away from the notion that Monitoring and Evaluation is 'done to the programme' towards engaging the programme team and partners in the design and implementation of the monitoring processes, to do Monitoring and Evaluation 'for the programme'. It fosters self-assessment and face to face interaction as an important sense-making approach.
- *Learning*: The PLA process is aimed to generate new knowledge, support learning, plan and motivate future activities, and build M&E capacity and reflective thinking among the different people involved.
- *Focus on the process*: the PLA system aims to provide the programme with a continuous system for thinking holistically and strategically about how it intends to achieve results and therefore focuses on both the process and the results.
- *Feedback*: The PLA system should allow VECO to seek feedback on its interventions and performance from partner organisations and farmers, and VECO should commit itself to also provide feedback to those actors (two-way & downward accountability).
- *Multi-faceted*: The PLA system acknowledges that the different levels within VECO require different information and inputs. What is needed by adjusting planning and data collection correspondingly will improve the usefulness for every member within the organisation.
- *Systematic documentation*: VECO aims to invest in a relevant systematic documentation of the information obtained, lessons learned and decisions made during the monitoring and evaluation

process. This should support better reflection and analysis as well as allow monitoring and evaluation findings to be more easily shared and communicated internally and externally.

- *Transparency*: the PLA system and related processes need to be open and honest. Transparency also means openness when communicating and sharing M&E findings (programmatic and financial) to our partner organisations and other stakeholders.
- *Realistic & pragmatic*: VECO aims to develop a PLA system and procedures which are realistic, (cost) effective, pragmatic and as simple as possible. This means reducing the burden of report writing for partners to a minimum, prioritise information needs, organise effective data collection processes, etc.

Every three years, VECO also measures the **impact** of its programmes. Are the living conditions of the supported farming families improving? Are their organisations stronger? We will report on this in the annual report of 2016. This impact measurement consists of an intensive process of data collection and interviews with members of the farmers' organisations about the following topics:

- Has the income of farming families in the pilot projects increased?
- Do farmers and their organisations have achieved more influence in the agricultural chain?  
Do farmers and their organisations have become more resilient in order to cope with setbacks and changing circumstances?
- Do farmers' organisations use the natural resources in a sustainable way?
- Has food security improved?



- Gender: what position do women have in the agricultural chain and within their organisations? Does their income increase and can they decide themselves where they spend their money on?

### 3. Most important programme achievements and evolutions

#### 3.1. VECO Indonesia

In 2015, VECO continued to strengthen the position of farmers' organisations in the cocoa, coffee, rice and cinnamon sector. In almost all cases, we noticed increased productivity, a gradually improving product quality and the opening of new markets. But the farmers do not have everything under control: world market prices of coffee and cocoa fluctuate strongly and the effects of climate change are being felt. Nevertheless, we notice that farmers have become more resilient to these external factors, thanks to an improved input management (seeds and fertilizers) and a better access to credit to help them bridge difficult periods.

One of the most striking positive evolutions is the cooperation with the provincial bank of the island of Flores. Last year VECO and this bank signed the Memorandum of Understanding. The effect can already be felt this year: the farmers' organisations have an easier access to credit for working capital. Thus the organisation ASNIKOM could double its sale of coffee beans (from 35.7 tonnes in 2014 to 70.4 tonnes in 2015), and also SIKAP saw its sales volume increase from 16 tonnes in 2014 to 58 tonnes in 2015.

The organic rice farmers on the island of Java continue their export to Belgium through the Indonesian exporter PT Agrobloom and the Belgian importer and wholesaler Biofresh, both sustainable partners. Two people from Biofresh have visited the rice farmers for the first time.

Various farmers' organisations introduced new clients to their products on national and international fairs. In some cases this led to changes. Thus the cinnamon farmers decided to process their product immediately into small sticks, instead of selling pieces of cinnamon bark. Another change is that the farmers used to plant and cut their cinnamon trees at the same moment (it takes about 7 years before a tree is fully grown). Now, they have decided not to cut all their trees at the same time, and to verify every year which trees are best fit for cutting. This results in a more regular income (not every 7 years) and a better water retaining capacity of the soil.

For many years, VECO has been trying to establish a national price differentiation system in the rice trade, by means of which the Indonesian government fixes the price of rice according to its quality. As for now, this system is not implemented yet. Nevertheless, the government recognizes more and more the importance of national quality standards. By doing so, the market position of 'healthy' rice has increased as well. At the same time, VECO has supported awareness raising campaigns to promote the advantages of brown rice for health purposes: aimed on the one hand at undernourished children in rural areas, on the other hand to provide an answer to the strong increase of diabetes in the cities.

VECO also remained very active in various multi-stakeholder platforms, like the Cocoa Sustainability Partnership, the Sustainable Rice Platform, the Indonesian Specialty Coffee Association, and the Sustainable Coffee Platform of Indonesia. Our presence at these consultation platforms gives us the opportunity to share with other actors the successful and less successful experiences in our cooperation with farmers' organisations, and to have an impact on national policy.

#### 3.2. VECO Andino

In 2015, there was significant progress in increasing the farmers' income, especially in the coffee sector. We noticed, e.g. with our partner organisation AACRI in Ecuador, that the income among (woman) coffee farmers increased significantly (+ 87%) as the result of a continued, sustainable increase in productivity on the coffee fields, due to the agro-ecological approach.

In Junín and San Martín (Peru) the quality of the coffee has also improved. We work with a mobile tasting unit, which offers farmers and young people an opportunity to learn how to taste (cupping) and thus notice which quality improvements are to be made. Educating young people is also an important factor here. In Ecuador as well, important steps have been taken in improving the quality of the coffee. Collaborators of VECO Andino carried out an important research on 27 farms of the Conquito organisation. They took water and soil samples, surveyed farmers, and accurately mapped the entire processing in order to detect defects. The result is a roadmap for farmers to gradually improve the quality of their coffee. This study will be repeated with other farmers' organisations.

tions in order to persuade as many farmers and agencies as possible to improve the quality of their product and thus increase their profit margins.

In the Peruvian cocoa sector, there has been a strong and significant progress as well, particularly in youth participation. We have noticed that by involving and training young people, and by strengthening their entrepreneurial capacities, that the dynamics and the development of the farmers' organisations are strengthened as well. The youngsters in CAC Satipo, CAC Pangoa and CAC Oro Verde saw their income increase: some young farmers could improve the production process on their fields, others found a job within the organisations or within related chains of the coffee sector.

Unfortunately, the Peruvian pilot project in the asparagus chain was closed in 2015. One of the reasons was the organisational and commercial weakening of the farmers' organisation REOPA, but blatant corruption and bribery at government level played a role as well. Nevertheless, 14 members of REOPA Global Gap have been certified, hereby improving their chances to sell their product on the export market.

Besides strengthening farmers' organisations, we also encourage companies to make their procurement policy 'inclusive' to small-scale farmers and their organisations. In an 'inclusive' business model, farmers are being respected and regarded as full-fledged players in the chain. Since 2012, VECO has been applying the LINK method (developed by The International Center for Tropical Agriculture) in order to improve 'inclusive' relations between companies and farmers' organisations. In 2015, VECO Andino cooperated with

the Universidad Pacífica of Peru to disseminate practical experiences about inclusiveness. Furthermore, VECO Andino has been able to present a video on the LINK Method and the vision behind it to 300 young business administration students during the companies' week of the same Universidad Pacífica.

As in previous years, VECO Andino has been strongly involved in determining the national coffee and cocoa programme in Ecuador. We also cooperate with the Ministry of Foreign Trade and we managed to keep a number of priorities on the agenda: more inclusion of small-scale farmers in the export chains, special attention for young people in agriculture, and mechanisms to improve the services for these farmers. Furthermore, VECO Andino continued its involvement in the "Grupo de Diálogo Rural". Within this platform, we have ensured that various players from the government (vice ministers and secretaries of state), the private sector, the press, farmers' organisations, NGOs and the academia participated in the debate on what kind of rural development is desirable for Ecuador. Various suggestions and proposals have been taken into account by the relevant ministries for further elaboration, such as: rural education, the relationship between supermarkets and producers, new financial products for small-scale farmers, etc.

VECO Andino was present at various events to share experiences. There was the 'Sustainability Week', organised by Conquito and the Municipality of Quito, and the quality coffee event 'Taza Dorada'. VECO also organised a round table for the coffee sector, 'Foro de Diálogo del Subsector Café', to improve synergy between the various actors of

the government, universities, private companies, NGOs and farmers' organisations. The government and various private companies were particularly interested in the way that we cooperate with young people. This will also become the main focus of the new programme of VECO Andino for 2017-2021.

### 3.3. VECO DR Congo

In the year 2015, the coffee and rice farmers in the East of the vast Congo experienced ups and downs. Since October 2014, the safety situation north of the city of Beni has been very precarious. There are regular reports of massacres in the villages. The rice farmers in the region have no other choice than to leave their fields and to settle in other regions. We do not expect that the safety situation will improve substantially in 2016, unless there comes a strong reaction from the government.

The rice farmers in the Kyatenga plane at the foot of the Rwenzori mountains in their turn fight the drought. Two consecutive seasons with hardly any rain obviously caused yields to plummet. Fortunately, at the end of 2015 there was again a normal rainy season, and we hope together with the rice farmers that the yield will be good again.

The coffee areas north of the equator on the other hand experienced a period of extreme humidity, caused by the phenomenon El Niño. As a result, the farmers could barely dry their coffee and the quality of the coffee dropped. The brewery Brasimba also underwent the consequences of the heavy rains: the roads got so muddy that they could no longer transport their beer. The

stock remained in the brewery, and as temporarily no fresh beer was being brewed, the rice farmers of the organisation LOFEPACO lost a market.

Just like last year, the four coffee cooperatives have taken huge steps forward, both in the field of internal organisation and in the field of production and sales. In February 2016, we counted 82 micro washing stations, entirely equipped with the necessary material (depulper, shade nets, hygrometer...), hence increasing significantly the quality of the coffee. On the island of Idjwi, the cooperative CPNCK sold its coffee at 5 dollars per kg to a Korean trader. This had never been seen on the island, and it significantly improved the reputation of the cooperative.

The biggest challenge for the cooperatives is to find working capital to purchase the coffee berries from the farmers. Thanks to the integration in the Joint Marketing Initiative of Twin Trading, the Kawa Maber cooperative succeeded in obtaining pre-financing through Root Capital. Kawa Kabuya also succeeded in finding pre-financing. Kawa Kanzururu, on the other hand still remains the weak little brother. As the cooperative is situated close to the Ugandan border, it has a tough deal with smugglers and wholesale buyers, who pay the farmers a certain amount in advance, before the harvest. As a result, the farmers hardly have any significant quantity left to sell to the cooperative.

In North Kivu, two rice cooperatives were started up. They have sold for the first time a limited amount of high quality rice seeds. A number of rice

cooperatives, with the aim to sell their rice together, has emerged as well, but the number of members is still too small to collect the necessary volumes. In 2016, we want to convince the farmers to unite themselves in one big rice cooperative.

In South Kivu, the landscape of rice farmers is also very fragmented. The farmers here took a first step towards cooperative under the impulse of the organisation ADPA. This organisation concluded a contract with the Bralima brewery and has invited other rice cooperatives to deliver with them the requested volumes. Two cooperatives (ADPA and COOPABA) also managed to collect the necessary resources from their members to purchase a rice hulling machine from Brazil. In this way, they will be able to bring higher quality rice on the market.

The World Bank recognises the work of VECO in the rice chain and has asked us to take the lead in the implementation of its next programme. In this way, all the experiences that we have met in the rice chain will benefit to a larger number of farming families.

### 3.4. VECO Mesoamérica

VECO's cocoa programme in Nicaragua has received an important boost because the government attaches great importance to the development of the cocoa sector. Since 2015, Nicaragua is recognized as a country that produces 100% 'fine flavour' cocoa. It is thanks to a close cooperation between the cocoa expert from the VECO-office and the national government that this recognition has grown. The cocoa from Honduras as well received international recognition during the 'Cacao d'Excellence 2015' contest at the Salon du

Chocolat in Paris, France. This of course offers the producers great opportunities to better their position on the export markets of top quality cocoa.

Both in Nicaragua and Honduras, the government interest in the vegetables sector is much smaller. On top of that, there is still a strong competition with imported vegetables from neighbouring countries. Nevertheless, the cooperatives of vegetable farmers have progressed both in terms of yield and quality. Almost up to 100% of the vegetables produced by 'our' three cooperatives in Nicaragua meets the quality standards of the market. This allows farmers to negotiate better prices. In Honduras, especially ASOFAIL has to make further progress. As for now, only 79% of their production meets the demands of the supermarkets.

In Nicaragua, the relation between Ritter Sport and the two cocoa cooperatives CACAONICA and La Campesina is still going smoothly. There is an open and transparent communication and the LINK method is being used to detect certain bottlenecks and tackle them. In the vegetable sector, the supermarkets La Colonia and Walmart are more open to dialogue and they want to buy more vegetables. La Colonia has even provided a funding of \$10,000 for COPRAHOR to increase its production. In Honduras, Chocolats Halba from Switzerland has also made funds available, for instance to improve the storage accommodation of APROSACAO.

As for the evolution towards more sustainable agricultural practices, especially the cocoa producers in both Nicaragua and Honduras have taken concrete steps: it is so that there are a lot more trees between the cocoa plantations. In Honduras, the organisations COAGRIC-

SAL and APROSACAO are well on their way to obtain the organic certification. And in the vegetable sector, steps were taken to reduce the use of chemicals.

Almost every cooperative has made progress in the field of internal organisation as well. For example: a more democratic election of the Board of Directors, an improved information flow, improved accounting, better relations with their clients and suppliers, etc.

On September 25 and 26, we were one of the speakers at the big annual conference of APEN, the organisation for exporters and producers in Nicaragua. We presented our vision on 'inclusive' commerce there. Together with top companies from Nicaragua, we discussed during half a day about the advantages that food companies have in cooperating in an inclusive way with small-scale farmers. Partner organisations shared their experiences. This event also received a lot of national media attention, hence putting VECO Mesoamérica further on the map.

### 3.5. VECO West Africa

Since January 1, 2015, the West African Union has agreed on a common tariff for the rice import: on imported rice there is a 10% tax charge. However, each state retains the right to change this tariff when there are insufficient quantities of rice to feed its population.

In Benin, the average yield per hectare has risen from 2 to 2.7 tonnes, due to a better irrigation system. The installation of a new machine that selects rice grains

according to their size, will also allow for better serving certain markets.

In certain regions of Benin and Niger, there was insufficient rain and the sowing seeds arrived too late with the members. This had negative consequences for the women who make par-boiled rice, because they could not purchase enough rice. Their income dropped.

In Niger, the processing unit for parboiled rice is finally installed. The women have obtained a credit of 26 million FCFA to purchase rice from farmers. They then take this processed rice collectively to the market. The use of briquettes made from rice hulls as combustible is becoming a more common practice, hence reducing the cutting of trees.

In Benin, Burkina Faso and Niger further steps were taken to improve the rice quality and to ensure that the farmers' organisations can be competitive. This was done by trainings and by the installation of more efficient machinery and processing units. Also, further tests with the use of solar energy are being undertaken. In Burkina Faso, the farmers' organisations started setting up a market information system to share all kinds of information on the rice price and on market evolutions.

In Senegal, about 1,000,000 tonnes of rice are being consumed every year. In 2014 the Senegalese government decided to limit the rice import to 500,000 tonnes in order to provide more opportunities to the development of the local rice sector. At the same time, the government made credit available as working capital for farmers' organisations. The consequences are noticeable this year: large consumers

such as the Senegalese army are looking for new suppliers. The farmers' organisations are trying to establish commercial relations with these players, but none of our partner organisations insofar is ready to supply large quantities.

Also in Benin and Burkina Faso, there are opportunities for farmers' organisations to sell rice to big institutions, such as hospitals and schools. The Ministry of Education and Alphabetization in Burkina Faso is working on issuing a tender for 25,000 tonnes of rice. This is part of a general law which stipulates that 80% of the government procurement of agricultural produce must be purchased from local suppliers.

In Senegal, UJAK sold 99.64 tonnes of rice thanks to the good relationship between the producers and five processing units that hull the rice and remove impurities. The women from Anambé who sell parboiled rice did make some progress in their internal organisation (improved administrative and financial management) and they followed marketing trainings as well. Thanks to a credit of 10 million FCFA they have been able to expand their activities.

The banana farmers of APROVAG strengthened their position on the market. Traders purchase fewer bananas from individual farmers, and instead negotiate more directly with APROCOB (the commercial arm of APROVAG). Through the cooperation with Colruyt Group, Agrofair and Taste (see text box), certain progress has been made. In most farmer groups, productivity increased thanks to improved irrigation and/or fertilization. The farmer groups were trained in the way they can best harvest, transport, wash, package,...





The *Association des PROducteurs de la Vallée fleuve de la Gambie* (Association of PROducers of the Valley of the river Gambia – APROVAG) is a Senegalese organisation of banana farmers which consists today of 10 local farmer groups (Economic Interest Groups – *Groupements d'Intérêt Economique* – GIEs) in 7 villages near Tambacounda. Over the years, APROVAG has become a strong farmers' organisation. Since 2007, VECO has been supporting APROVAG in its ambition to become a professional partner in the Senegalese and the international banana trade.

In 2010, fruit importer Agrofair was introduced to APROVAG. Agrofair is a cooperative partnership between banana producers from Latin America and ethical investors from the Netherlands. They bring, amongst other things, fair trade certified bananas of the brands "Oké" and "Eko Oké", mainly of Peruvian origin, to the Belgian market. Since the market of organic fair trade bananas is on the rise and because it is interesting to diversify the supply with bananas from Africa, they have sought new producer organisations to work with.

Two years after their first meeting, Agrofair decided to support APROVAG more intensively, aiming at exportation. VECO then introduced them to the Colruyt Group, the largest retail group in Belgium. They showed interest in purchasing the Senegalese bananas. All this resulted in a unique partnership in which transparency and cooperation in support of small-scale farmers are keywords. The intention is to establish an efficient banana chain from Senegal to Belgium, with benefits for every part of the chain.

This project stimulates the producers of APROVAG to apply improved agricultural practices, to elaborate quality control systems, to set up better irrigation systems, to

organise the logistical trajectory unto the port of Dakar as efficiently as possible, and to develop their commercial capacities.

All partners in the chain assume their responsibility. Agrofair provides the necessary agro-technical support and training, and makes clear commercial agreements with APROVAG. The foundation TASTE (Technical Assistance for Sustainable Trade & Environment), closely linked to Agrofair, formulates projects and thus tries to obtain financing for investments in APROVAG and the producer groups. As part of a long-term partnership with Agrofair, the Colruyt Group commits itself to purchase at least 50% of the organic fair trade bananas, under condition that APROVAG can supply the requested volumes and quality. VECO provides technical assistance to the mutual plan of action, empowers the farmers' organisation and is in charge of communication throughout the chain.

Concretely put, all players commit themselves over the medium term to regularly ship a container of organic fair trade bananas from Senegal to Belgium, that will eventually – once all obstacles have been overcome – end up on the shelves of the Colruyt Group stores. If APROVAG is ready for it, this can be extended to 2 containers per week. However, exportation is not the only aim of this project. Supporting APROVAG to supply the Senegalese cities and to compete with imported bananas from Ivory Coast is equally important. The international standards offer a guideline to improve the quality of the bananas, which in its turn allows to negotiate a stronger position on the Senegalese quality markets. The main goal behind it all is to raise the income of the banana producers.

bananas. One farmer group (Nguène II) achieved the organic and Global GAP certification. The umbrella APROVAG/APROCOB has achieved the fair trade certification. When a trial container arrived in Europe, the quality appeared to be insufficient. After evaluation it was decided that APROVAG should first be prepared for export so that it can supply the high quality markets in Dakar and other cities. In this way, they will be able to build up a certain routine and to make a better planning.

### 3.6. VECO East Africa

The Tanzanian government decided to support the rice sector in the entire country and has created funds for investments in storage infrastructure and other initiatives that facilitate market access for small-scale farmers. The intention is also to agree on common standards for the entire East African Union. VECO makes use of this dynamic and we make sure that our experiences in the cooperation with rice farmers pass on to the national level. For example, when it comes to systems for quality control and traceability of the rice from farmer to consumer. In Uganda as well, VECO cooperates with the National Rice Platform and the East African Grain Council to work on common quality standards.

In Tanzania there are three new companies that are interested to cooperate with the farmer organisation LOMIA and to support them in achieving the required quality standards, which will also lead to a better price for the farmers. One of these companies also wants to provide credit for the farmers so that they can organise the transportation of the rice.

We also notice that new practices in the rice sector are being better disseminated. Thus, farmers who cultivated their rice fields according to the System of Rice Intensification saw their income increase with 20%, and their expenses for sowing seeds and other inputs decrease with 64%.

The vegetable and fruit cultivators in Arumeru and Moshi have taken significant steps forward. They achieved the Global Gap certification which allows them to export, and they also worked on improved irrigation systems. In the vegetable and fruit sector, contacts have been established with seven companies that are willing to do business with small-scale farmers in an inclusive way. VECO supports them to validate these contacts in commercial relationships. All kinds of trainings are given to that aim. In the case of MUVIKIHO, the results are already visible: they have made significant progress in the field of agro-technical services for their members, in bulking of the vegetables, in ensuring the quality etc. They also have a better ability to sign contracts with traders. The farmer group Kibiu is currently receiving support in the preparation of a dossier to obtain credit for working capital.

There is an official umbrella platform for the vegetable sector in Uganda, but this entity is hardly functioning. VECO will try to revitalize this entity, as it is a crucial element in relaunching the export (currently it is not allowed to export vegetables to the EU).

In Tanzania, 8 out of 11 farmers' organisations saw their profit margins increase; in Uganda this was 1 out of 4. In general, the farmer groups in Tanzania have a better internal organisation,

better leadership and more access to credit.

The farmer groups in Uganda were mainly set up because external donors requested so, not because farmers noticed market opportunities that created the need to form a group. Most Ugandan farmer groups still lack the right spirit to turn their organisations into well organised companies. They have a very cautious attitude, they rely on subsidies, and they are not used to respond to market opportunities. VECO wants to give these farmers' organisations extra support in order to set up a clear business plan. If the motivation of the members appears to be insufficient, then VECO will stop supporting them. Our cooperation with one farmer group has already been stopped in 2015.

VECO and the Uganda Cooperative Alliance (UCA) commissioned a study to find out more about what makes farmers' organisations successful. The findings were shared with all stakeholders, and the study will also serve as a guideline for further support of our partner organisations.

Another study aimed at mapping the most successful financing models for Ugandan farmers' organisations. The results were widely shared with various stakeholders. In collaboration with the National Farmers Federation, the conclusions were also shared with media that target policy makers and financial institutions. Furthermore, a major briefing was organised for financial institutions, members of parliament, members of the government administration and the Ugandan civil society.

In 2016, VECO together with the banks will research new funding options for farmers' organisations and disseminate successful initiatives.

### **3.7. VECO Vietnam**

One of the biggest challenges for Vietnam is food safety. Every week there is some new scandal in the newspaper. VECO Vietnam assists with word and deed small farmers' organisations that want to grow safe and/or organic vegetables. In order to show that the vegetables are effectively safe or organic, VECO Vietnam introduced the participatory Guarantee System as a means of certification. This system was implemented for instance among the farmers of Trac Van. In 2015, their income improved significantly. This was due to the fact that they succeeded in signing a contract with an organic vegetable store in Hanoi. Since 2015, we have also been supporting two new groups that grow safe and organic vegetables. They too are being supported in applying the PGS certification system and in their search for a market in the city.

Furthermore VECO Vietnam, supported by the VECO Innovation Fund, has started to develop an innovative app and website: the 'Safe and Organic Food Finder' (SOFF). On the one hand, many consumers are concerned about the safety of their vegetables. On the other hand, many stores in Hanoi specialize in safe and organic vegetables. And yet, the sales figures of safe and organic vegetables are still disappointingly low. There are different reasons, but one of the reasons is that consumers do not always know which stores are safe. SOFF maps those stores: it enables consumers to find their way to certified stores that offer safe and organic vegetables. SOFF was launched in January 2016.

Rice is extremely important in Vietnam: the country is one of the biggest rice producers in the world and rice is an essential part of every meal. Nevertheless, there are different aspects of the rice sector that should be reformed: current techniques use too much water, and too many pesticides and fertilizers; small-scale farmers work very hard but have too little gain, etc. The government promotes quantity over quality: Vietnam produces cheap rice in enormous quantities. All these factors threaten the sustainability of the sector. In 2015, VECO Vietnam requested a research bureau to make a study of the possibilities for restructuring the sector. This report was presented to the government. A decision of which proposals from the report will be included and which won't, is expected in 2016.

In December 2015, LUSOTEC, a tea cooperative, obtained the UTZ certification after a process of almost three years. LUSOTEC is one out of only 5 UTZ certified tea cooperatives in Vietnam. Thanks to this certification, both their produce and its quality increased. Their production methods are more sustainable than before as well. In 2016, VECO Vietnam will support the cooperative in its search for new buyers.

In December 2015, the programme in cooperation with the Rainforest Alliance terminated. Within this programme, VECO Vietnam has trained thousands of farmers and about ten tea companies to grow and process tea in accordance with the Rainforest Alliance standards. Thanks to this certification, their tea is qualified to be purchased by large tea companies such as Unilever. In 2016 a new programme with Rainforest Alliance begins. Its focus lies on a landscape approach in order to make the tea sector more sustainable.

### **3.8. Vredeseilanden/VECO in Belgium**

VECO is firmly convinced that farming families hold the key to the future. If they make a living from sustainable agriculture, they can work themselves out of poverty and feed the world in a sustainable way. This is the story that we want to tell in Belgium.

At the same time we want to make clear that the global food problem is not only a matter of farming families in the developing countries. Everyone can be part of the solution: consumers as well as the food and retail sector. More and more companies indicate that they want to make efforts in terms of sustainability, due to its long-term relevance. The big challenge is: how can niche initiatives become mainstream evolutions? This is the challenge that VECO wants to engage itself to in Belgium.

#### ***Cooperation with the Belgian retail and food sector***

From time to time, VECO gets a request from partner organisations in the South that want to launch themselves on the export market if we can find Belgian buyers for their products. Belgian and international companies contact us as well with the request to establish new supply chains with our partner organisations in Africa, Asia and Latin America. In both cases, we examine whether their request coincides with our presence in a certain region or chain.

We do not want to be mere mediators in this. Instead, with this kind of concrete projects, we want to strengthen our partner organisations and support Belgian companies in adapting their procurement policy towards small-scale agriculture. More specifically, we encourage companies to make their



procurement policy 'inclusive' to small-scale farmers and their organisations. In other words, to make sure that these farmers' organisations become strong actors in their respective agricultural chain.

Currently, VECO plays a role in supporting the export to Belgium of passion fruit from Tanzania and bananas from Senegal. The rice chain from Java (Indonesia) barely needs further support, and the exportation of asparagus from Peru was stopped (see page 22). The export of rice from Benin and the learning path linked to it were finalized. The rice farmers have a stronger position and take their rice to the local market with their own brand

name "Saveur du Benin". Furthermore, a number of other export chains are in preparation: coffee from the DR Congo, rice from Vietnam and soya from Brazil. We cooperate here with the following companies: Colruyt Group, Agrofair, Biofresh and Special Fruit.

#### **Campaign: Let's #SaveTheFoodture**

In Belgium, more than 70% of the food is purchased in supermarkets. Thus the supermarkets hold the biggest levers to bring a positive change in the entire food chain. With the campaign Let's #SaveTheFoodture, we challenge the Belgian supermarkets to look further than simply obtaining a low price and to turn sustainable food into the most common cause in the world. High

quality food produced with respect for the environment, which allows farmers to make a decent living... This is no luxury but a necessity to safeguard the future of our food and that of millions of farming families.

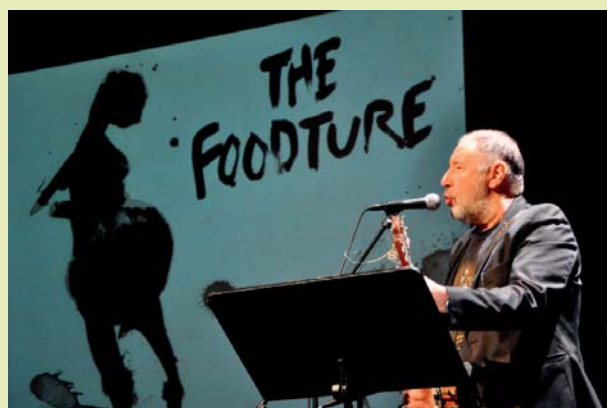
In the run-up to the annual campaign weekend in January, the VECO-volunteers launched a sticker action, by which you could stick the message "May it be something more? It's for the farmers" onto your loyalty card of the supermarket. By this action, we offered consumers the opportunity to make clear that sharp prices should not go at the expense of farmers. Also about ten Flemish celebrities supported the campaign by means of a video message.

## **The Foodture**

December 8, VECO in cooperation with FEVIA (the Federation of Food Industry), Boerenbond (Farmers Union in Flanders), Fairtrade Belgium and The Shift (the Belgian meeting point for sustainability), organized The Foodture, a colloquium and cultural event in a full Kaaithheater in Brussels.

Following the publication of the book 'Save the Foodture' in 2014, which gives an analysis of sustainable procurement and cooperation with farmers' organisations in Belgium, this event was the next milestone on our way towards a more sustainable agro-food sector. During the colloquium, which took place in the afternoon, we took a closer look on concrete cases that can serve as inspiration for making the procurement policy of supermarkets and food companies more sustainable. It is so that procurement policy can be a strong lever for progress towards a more sustainable agro-food sector and a stronger position for farmers in the food chain. The outcome was a nine-point agenda for a more sustainable procurement policy.

In the evening, VECO invited all its stakeholders to the



presentation 'Pastures of the Foodture', composed by reporter/composer/author Gerry De Mol. In a mixture of images, music and debates, he focused on the role that everyone can play. Five guests explained their vision on sustainability in the food and agricultural sector, each of them presenting the topic from their own point of view (Piet Vanthemsche of Boerenbond, Hendrik Draye of Carrefour supermarket, Jelle Goossens of VECO, Els Dietvorst as artist and shepherd, and Ignaas Devisch as a professor of ethics at the University of Ghent).

### ***Campaign: Fair Trade Towns***

The campaign Fair Trade Towns, a cooperation between 11.11.11, Oxfam-Wereldwinkels, Fairtrade Belgium and VECO, is a continuous success story. More than two out of three Flemish towns are participating in the campaign; of the 245 towns registered, 170 obtained the title. With this result, Flanders scores among the best in the international Fair Trade Town Campaign and its 25 participating countries.

### ***Sustainable catering in institutional kitchens***

VECO is convinced that institutional kitchens can play a leading role in making the Belgian food habits more sustainable. The catering in companies, governments, schools, rest homes and hospitals accounts for 35% of the out-of-home market. In other words, a sector that should not be neglected. By setting up trajectory coachings tailored to the institutional kitchens, and by inquiring and informing their clients about what is on their plate, our actions go beyond mere awareness building on sustainability in the food sector.

The coaching of the institutional kitchens from the federal government, Fedorest, commissioned by the Federal Institute for Sustainable Development

(Federaal Instituut voor Duurzame Ontwikkeling (POD DO)), was finalized at the beginning of 2015. The trajectory at UZ Gasthuisberg (University Hospital Leuven) was also ended successfully. We started coaching two OCMW (public welfare assistance) kitchens and four day-care centers. All participating kitchens/institutions subscribed the charter with the ten sustainable commitments. These commitments concern different topics: apart from introducing organic and fair trade products, attention is also paid to food waste, seasonal vegetables, sustainable fish, reduced meat consumption and cooperation with local farmers.

Institutional kitchens are to find suitable, sustainable suppliers. For this reason, we organise meetings – under the name “Your Choice” – between institutional kitchens and suppliers. In 2015 we cooperated for the first time with Horeca Expo, the biggest professional fair for Hotels, Restaurants, Cafes and Institutional Kitchens in Flanders. On Wednesday November 18, the fair “Your Choice” was held in Ghent, as a part of the industrial kitchens day of Horeca Expo. In doing so, we introduced an even larger number of professionals to the subject of sustainable food. We presented the results of our trajectory coaching at UZ Leuven to

300 people that were present from the industrial kitchens sector. The same case was also presented at a seminar in the Belgian pavilion of the World Expo in Milan on June 10, and on May 26 during the conference “The food chain becomes more sustainable” of the Belgian chain consultation.

The specific trajectory coachings and our visibility at Horeca Expo offered VECO legitimacy and authority, thus turning us into a reference for the wider sector. We also noticed that the policy makers of Belgian cities and towns find VECO ever more easily to help them facilitate the sustainability of their local catering services. Cities like Kortrijk, Leuven and Bruges asked for input when preparing a handbook for sustainable events, and other local governments asked for tips on the actual sustainable development of their local catering services (eg. in local schools). We notice the same evolution among companies. For instance, Java Foodservices, one of the biggest distribution platforms in Belgium, organized a debate in the Java Food Experience Centre on June 20th, 2015. They discussed with a number of key suppliers and clients about the role of demand and supply in the process of sustainability.



## Chapter 4: Governance report

## 1. General Assembly

The General Assembly (GA) consists of 89 members from our key stakeholders. They are volunteers, experts from various organisations or private companies, people working for governmental institutions, members of the Board of Directors and former staff members. They consist of 40 women and 49 men. In 2015, two new members joined the GA while only one member left.

Membership is valid for an indefinite period. Everybody can apply to become a member of our General Assembly. His/her application is then presented at the next General Assembly. The Articles of Association stipulate that current staff members of VECO cannot be a member of the General Assembly.

The General Assembly is the supreme body of the organisation. It appoints the Board and ratifies the annual accounts and the annual report. Within the general Assembly there is a Financial Commission that thoroughly studies the financial reports in preparation of each General Assembly. In 2015 the GA, apart from its formal obligations, helped shaping the network organisation (see page 35). The GA approved of the steps taken by the Board of Directors and laid out the contours of the transition towards a network organisation. During the GA of June 2015, special interest was given to the role of young people within VFCQ.

## 2. Board of Directors

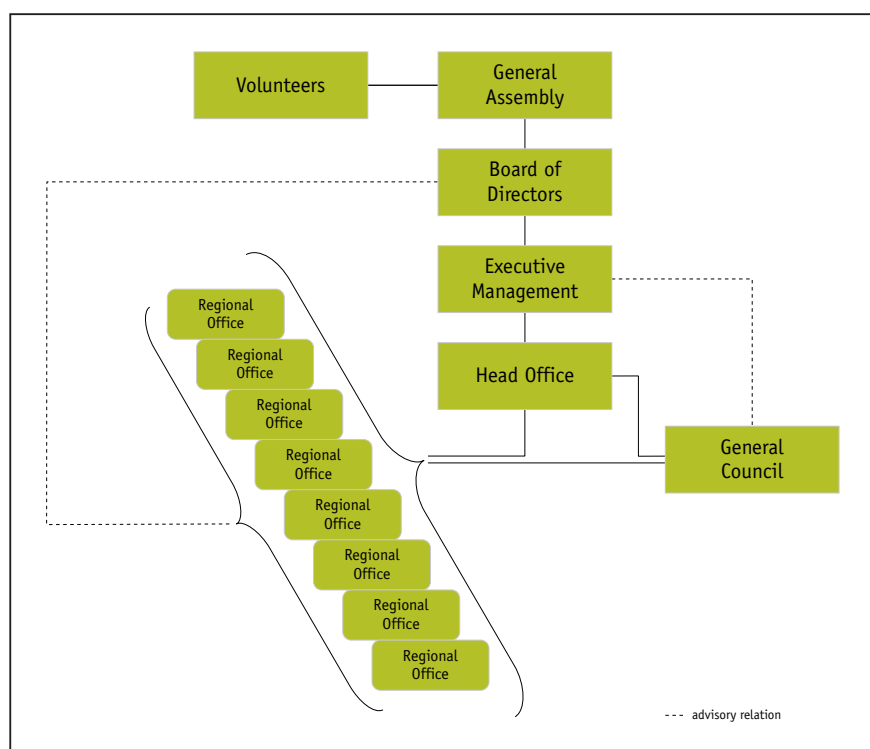
*Members:* Magda Aelvoet, Leen Bas, Patricia Grobben, Roosmarijn Smits, Annelies Van Raemdonck, Alfons Vaes, André Van Melkebeek, Marc Bosmans, Arnout De Smet and Hilde Van Ongeval. In the course of 2015 Magda Aelvoet, Patricia Grobben and Leen Bas left the Board of Directors. The General Assembly of June confirmed the membership of Kristof De Brabandere to the Board of Directors, and the GA of December welcomed Winanda Nuyttens and Koen Dolphen as new members of the Board.

*The President of the Board of Directors:*  
Alfons Vaes.

The members of the Board are appointed for a maximum period of four years. The General Assembly of December 2014 approved an amendment of the Internal Regulations, limiting the mandate of board members to a one-time renewal for a period of four years. In the appointment of new members and the renewal of mandates, the aim is to obtain an equilibrium between knowledge continuity and innovation ability. The Board of Directors can propose to the General Assembly, if properly motivated, to entrust a third mandate to one or more members of the Board of Directors.

The Board of Directors is charged with the general management, and determines the strategy of the organisation. The Board makes its choices in accordance with the values of VECO, i.e. inclusive thinking, dialogue, participation and sustainability. The Board monitors the sustainability

## The organisation structure of VECO



performance of the organisation. This concerns practical decisions as well as choices within the programme.

The Board delegates the operational responsibilities to the Executive Management of the organisation. The President and all other Board members are volunteers. They receive no payment for their mandate and neither have an executive function within the organisation. The members of the Executive Management are on the VECO payroll. On January 1, 2015, the duo Stef Steyaert and Mark Hongenaert from Leuvuur started their mandate as change managers. They accompany the transition process towards a network organisation in the role of advisors.

The Board has integrated the principles of good governance in its Articles of Association and its Rules and Regulations. The latter were revised in 2011. The Board based itself upon the text 'Goede praktijken en aanbevelingen voor het besturen van Social Profit organisaties' (Good Practices and Recommendations for the Management of Social Profit Organisations) of the

King Baudouin Foundation. Clauses were included with regard to the necessary competences, procedures for avoiding conflicts of interest, decision making methods, evaluation procedures,...

In 2015, the Board of Directors has paid a lot of attention to the development of VECO as a network organisation. Designing the management structure required quite some attention. Besides that, the Board also had our various programmes evaluated and screened in order to be able to draw lessons for the next programme cycle. At the same time, the Board evaluated how the various VECO offices need to be equipped in order to join the new network organisation structure and where adjustments or additional support are necessary. The thinking day of the Board was entirely devoted to the role of the Board of Directors in the future organs and to the role of the board members in the framework of fundraising.

Besides the management, there are regularly staff members invited to the Board meetings to tell about their field of activity. In this way, information

from the VECO staff flows right through to the Board of Directors.

Within the Board of Directors there is an Audit Committee. Three audits took place in 2015: a management audit in the regional office of West Africa, and two financial audits (West Africa and East Africa). The financial audits were more profound than the mandatory annual financial audit executed by KPMG. The internal audit was aimed at improving the existing financial systems.

### **3. Council of Sages, International Forum and National Boards**

These three bodies are statutory and have a mere advisory role with regard to the Board of Directors. We have noticed they are no longer convened in recent years. However, the national (or regional) advisory Boards will gain importance in the coming years. The new International Board of Directors (see next page) will seek advice from the International Board of Affiliates. The members of this Board of Affiliates will be delegated by the National (or regional) advisory Boards.

## **Shaping our sustainability policy**

Sometimes, we are asked on some questionnaire who is our sustainability manager. We then humbly confess that within VECO, nobody is responsible for that. Indeed, it is a task, role, competence and responsibility of every one of us. For the General Assembly we focus on meeting places near a train station and on sustainable catering; the Board of Directors proposes sustainability as a criterion against which it checks its decisions. We have

developed sustainability tools to screen our agricultural chains for social, ecological and economic sustainability. In Belgium we work around a sustainable acquisition policy of companies; management operationalizes sustainability when renovating office spaces, with its own procurement policy and in a sustainable human resources management. But no, we don't have a sustainability officer. All of us work on it.

#### 4. Executive Management

The management consists of Marianne Vergeyle (Director of VECO Head Office), and Roos Peirsegeale (Programme Director). In September, Rogier Eijkens was designated as programme director. For four months, Rogier has explored the function of programme director with the support of Roos, in order to take full responsibility from January 1, 2016 on. Marianne, Roos and Rogier as a collegial body take the necessary decisions for VECO and also assume final responsibility. In 2016, the management was assisted during the whole year by Stef Steyaert (as change manager). In the role of adviser, Stef ensured the compatibility of all made

decisions with the evolution towards a network organisation.

The Executive Board meets every two weeks and is joined schedule-wise by the head of department of Human Resources and the strategic advisers.

#### 5. Staff

In 2015, VECO engaged 166 people worldwide. Regional managers of the different VECO offices were:

- Denise Lapoutre (until 13/7/2015) and Mark Blackett (from 1/8/2015) in East-Africa
- Rogier Eijkens (until 31/5/2015) and Peter Sprang (from 1/6/2015) in Indonesia

- Karen Janssens in Central America
- Hanneke Renckens in Latin-America
- Eduardo Sabio (until 30/9/2015) and Mianne Van der Biest (ad interim from 1/10/2015) in Vietnam
- Ibrahim Ouedraogo in West Africa
- Ivan Godfroid in DR Congo

#### 6. General Council and workshops

The General Council is an advisory body whose main responsibility is to support policy-making. It consists of the regional managers from the VECO offices, the members of the Executive Management and the Heads of Department from the head office. The General Council discusses the implementation of decisions taken by the Board or the

### VECO earns the EFQM label for quality management

How does VECO score in terms of efficiency, compared with other organisations? How do we set out our strategy? Are our partner organisations sufficiently involved? How do we score in terms of leadership? There are various ways and tools to get a clear sight on this. In 2011, the Belgian development

organisations agreed amongst each other to adopt EFQM as a model for quality management. It is a model that stimulates organisations to constantly question and improve themselves. The focus is on achieving balanced and good results that meet the expectations of all stakeholders: the target groups (partner organisations and farmers), the collaborators, society and the core stakeholders (Members of General Assembly and Board of Directors, volunteers, private and institutional donors).

EFQM works in two stages. In a first phase, organisations evaluate themselves and formulate improvement trajectories which they believe are important for them. Those



who actually carry out these processes in practice may call themselves "Committed to Excellence". VECO chose to make an efficiency measurement of the support services. Besides that, we sought to integrate our activities in Belgium (that are quite different from our operations in Africa, Asia and Latin

America) in the global Planning, Learning and Accountability system of VECO.

Organisations that have gone through this internal improvement trajectory and furthermore have developed a strong management system, can take one step further. In this phase, external EFQM auditors evaluate all management systems (leadership, employees, core results, monitoring, internal and external communication...). Organisations that score positive receive the "Recognised for Excellence" label. On December 21, 2015, VECO achieved this label - as the third NGO in Belgium.

Executive Management. The Council also discusses about strategies and goals. The aim is always to reach a consensus.

In 2015 the General Council met twice, considering that the transition towards a network organisation requires sufficient consultation and coordination.

This was the most important point on the agenda, besides the follow-up of the programme and the design of a new strategic plan. Hence, the diversification of institutional fundraising, which implies that the regions are more and more responsible for local financing, constitutes an essential change in the operations.



## VECO in motion: from Belgian NGO to an international network organisation

VECO has evolved a lot in the past ten years, yet our global organisation structure always remained the same. Nevertheless, in order to do better what we want to do, we will have to thoroughly adapt our way of cooperating between the various offices and partner organisations.

Indeed, the world has been severely shaken in recent decades: the climate and financial crises are being felt. Any moment a new food crisis can burst out. The division between the rich Western World and the poor non-Western world is vanishing: all together the world becomes richer, but the inequality within certain countries takes increasing proportions. At the same time, the resources for international cooperation and development cooperation are under pressure.

Also the immediate environment in which VECO operates has changed: some of our partner countries have climbed up to become 'middle income countries', and in those countries our role has strongly changed over the past years: less direct support of farmers organisations, and more focus on the exchange of knowledge. Sustainability issues come increasingly to the foreground in big (multi-national) companies, and they are searching for more cooperation with farmers organisations. This is why we collaborate more often with the food, retail and even catering sector, and we receive more and more recognition for it. And finally, we want to focus more on structural changes and on sustainable transformation of the entire food sector.

Hence, we have asked ourselves in the past year: can VECO with its current organisation structure still provide an answer for today's challenges and respond flexibly to opportunities?

Currently, VECO is still organized in a very centralistic way. Colleagues of the head office and the regional offices together develop standards and objectives for the entire organisation, which are later translated into regional programmes. In the coming years, however, we will more and more need other ways of cooperating between



colleagues and stakeholders. If we look around us, we see that innovating organisations focus a lot more on networking, collective learning and knowledge exchange, co-creation, cooperation with non-obvious partners, multi-disciplinary and project work. Openness, flexibility and creativity of people are central.

In the course of the previous year, we have been working mainly on the development of a new governance and management structure for VECO. Whereas the organisation up till now has been directed by a General Assembly, a Board of Directors and a head office primarily composed of Belgians, we are now evolving towards an international steering of the organisation. Hence, next to the non-profit organisation, VECO will establish a Public Interest Foundation that will be managed by an international Board of Directors, a board of affiliates in which our regional offices are being represented by local stakeholders, and an international management team composed by the managers of our regional offices and a general manager. This organisation shall account for the international coordination, consultation, exchange and building of knowledge and expertise.

We are convinced that in this way, we can provide a better answer to the needs of present and future times, where knowledge and expertise are no longer being transferred from Western world to developing countries, but instead are being created and solidified by means of exchange and cooperation.



## Chapter 5: The social balance of VECO

### 1. Sustainable human resources management

VECO tries to develop an employee-centred sustainable HR management. We want to focus on our employees and their talents, competences and energy. We do not want to exhaust this all, but on the contrary we want colleagues to be able to permanently 'renew themselves' within VECO. Just like sustainability at the global level means using resources without depleting them for future generations.

We want team members to work together on the basis of their talents and interest, so that everybody can add some value by doing the things he or she is good at. If all people involved do what they are good at, it will be possible to achieve results with a lot of pleasure, in a powerful setting. In such conditions, energy starts to flow. In such a team everyone knows their own strength and the strength of their team members.

In 2015, wellbeing was a hot topic. The changed legislation in Belgium and its relevance for the organisation were the reason for committing to a decent prevention policy (see below, 'wellbeing'). One of the organisation's values is 'VECO = its people', because we want to ensure that all employees are treated in a respectful and fair manner, with clear labour conditions and good cooperation with colleagues. A global HR policy framework explains

the principles that VECO considers important in the relationship with its employees. We ensure that this is applied and complied with throughout the entire organisation.

#### 1.1. Introduction

It all starts with recruiting: every new employee has to be familiarized with the organisation, the organisational culture and the labour conditions. Therefore, a good introduction is essential. Every employee receives the necessary documents and information to start. A specific introductory programme is elaborated for every function, with general and function specific information. By evaluating the introduction we can refine where needed.

#### 1.2. Career and Development

Throughout the career at VECO we pay constant attention to every employee's personal development. We conduct an annual performance interview with every staff member as well as an evaluation meeting at the end of the year. During those meetings we also pay much attention to general and job-related skills and the targets for the next year. We always check whether any training would be needed for the development or improvement of specific skills or for the achievement of the annual targets.

VECO provides permanent development opportunities to its employees at all levels, both individually and collec-

tively. VECO wants to be a flexible organisation, where people adapt themselves to new visions and long-term objectives of the organisation and where mutual learning is stimulated. Therefore 'learning' is explicitly included as an objective in VECO's strategic plan.

We also formulated a specific competence development plan to allow VECO staff to take a step forwards in the field of competences that are in line of our core activities. Starting from concrete organisational needs we focus on customisation and search for solutions in the form of internships, exchanges, training courses etc.

Six issues were formulated:

1. entrepreneurship;
2. specific expertise concerning specific products or product groups (rice, coffee, vegetables,...);
3. organisation models for farmers;
4. upscaling;
5. documentation and strategic communication;
6. professionalism and efficiency

After individual needs and requirements had been identified, in 2015 a number of learning tracks were further established: a group training around speaking in public, an exchange between communication colleagues from Indonesia and Ecuador, participation in courses from the Agricultural University of Wageningen by some colleagues from VECO worldwide, study afternoons about business plans, etc.

The development of our staff is a constant process. It therefore requires continuous attention. Employees of VECO worldwide have already indicated at previous occasions, like in satisfaction surveys, that they consider it very important to be able and allowed to invest in training and development. However, the offer and/or opportunities are not always up to the expectations. Now and in the future it is a challenge to respond (even) better to the needs, requirements and expectations. We will explain more in detail how our training policy works in practice, to who you can recur when you want to follow a training, what you can expect, e.g. from your supervisor, and what is your own responsibility in this.

Every year there is a training budget foreseen per person. If a certain more expensive training is interested, that can be budgeted in addition. Also joint training initiatives are included in the budget.

The training initiatives are followed up in every VECO office separately.

Apart from the trainings in the framework of the competency leap, head office also invested in trainings about coaching, sustainability, sustainable food, etc., for an average of 37 hours per person.

Supervisors, contents programme staff as well as administrative support staff follow trainings. In practice, we see that programme staff account for about 50% of the total; supervisors and administrative support staff each for about 25%.

Apart from the formal trainings, the head office regularly organises staff briefings during the year. In 2015 there were 21 briefings around various topics: new evolutions in the programmes in the VECO offices worldwide and in Belgium, fundraising activities, projects and decisions of the management, our youth work etc.

### 1.3. Wellbeing

VECO is committed to guaranteeing the wellbeing of its employees during work. We strive towards a healthy balance between work and family. Employees can tailor their schedule to their personal needs and requirements. Parental leave, time credit and career reduction are granted.

In the fall of 2014 the Belgian legislation on wellbeing at work was amended. Now, there is a lot more attention for psycho-social aspects like burnout and stress. In 2015 it became clear how current this topic was. Burnout was extensively treated in several media. Also in VECO we were faced with this reality.

Together with a Human Resources intern we worked on a risk analysis and a prevention plan for wellbeing at work.

In the first instance a survey was sent out, probing satisfaction on the basis of five L's: Labour content, Labour environment, Labour relations, Labour conditions, Labour organisation. There was a high degree of response so we were able to use the results as an element in the risk analysis.

The results of the survey were further discussed with a group of experts, composed from colleagues that play a role in wellbeing at work (staff representa-

tives, confidence person, management, human resources department). The group of experts itself estimated what the employees' answers would be. This largely coincided with the survey results.

The survey exposed a number of points of attention and we elaborated a prevention plan to improve these points.

1. *Point of attention:* the influence of the staff in/on the organisation: create clearer communication and increased involvement.  
*Prevention plan:* we create a feedback culture in both directions. There is clear communication about decisions taken at management level and employees get the opportunity to go into more detail, ask questions, give remarks,... during team meetings or other consultation moments.
2. *Point of attention:* employees experience stress at work.  
*Prevention plan:* the stress element is explicitly included in the format of performance conversations in order to monitor it more closely and also formally.
3. *Point of attention:* there is a lack of clarity around the training policy.  
*Prevention plan:* there is clear communication about how trainings are treated, and the needs and requirements are identified.
4. *Point of attention:* there are many questions around burnout: what is it, how can we recognize it, what can we do to counter it...  
*Prevention plan:* a briefing is organised about burnout and an information sheet is made available.

Elaborating a prevention plan is one thing, complying with it is quite another thing. We provide moments to follow it up, evaluate it and if necessary, adapt it.

#### 1.4. Equality

We strive for equality in all areas. The organisation operates no age, gender, nationality, religion or other discrimination.

The standing employment conditions explicitly state that the terms of employment at VECO apply to all employees. The personnel manager is responsible for ensuring that discrimination does not occur. Staff members are notified of this fact during training and induction. Non-discrimination is the guiding principle including in hiring, programme-setting and choosing partner organisations.

Whenever a staff member feels he or she gets an unequal treatment or is the victim of unwanted acts,... he or she can contact one of the two mediators appointed at the head office or the

mediator of the regional office. The mediators receive the complaints of the victims, give advice, offer shelter, offer help and assistance to the victim and try to mediate. The identities of the mediators are communicated via the standing employment conditions that are given to every new head office or regional office employee.

Last year, no complaints were filed with the mediators. In the VECO offices, mediators also act as prevention advisors. The standing employment conditions also provide measures for the prevention of TB, HIV/aids, etc.

In 2015 a number of sick-day and labour accidents were noted in the regional offices. At head office, the number of sick-days significantly increased due to some long-term absences. 404 of the total of 493 sick-days are due to the recovery period after operations or burnout.

The organisation prides itself on its openness and acceptance of constructive criticism voiced through the usual channels of meetings, briefings

and discussions. Complaints and comments can also be discussed or raised in the performance and evaluation interviews.

As we did in previous years, VECO invested in informal moments at head office, like an annual teambuilding activity, a New Year party, a farewell celebration upon retirement, team activities... In the VECO offices too personnel events are organised, for example, teambuilding activities, New Year parties,...

#### 1.5. Staff consultation

At head office, VECO employs less than 50 employees and therefore is not legally obliged to establish a Works Council or a Trade Union Representation. Two official staff representatives have been appointed on behalf of the personnel meeting, one of them a trade union representative. The staff representatives organise the staff meetings. In 2015 two new staff representatives took over from their predecessors.

	Head office	VECO offices
Number of sickdays	493 (for 47 employees)	126 (for 119 employees)
Number of labour accidents	0	1



## 2. Social Balance (per 31/12/2015)

In this section we give a number of figures and explanations concerning the workforce of VECO (situation on 31/12/2015).

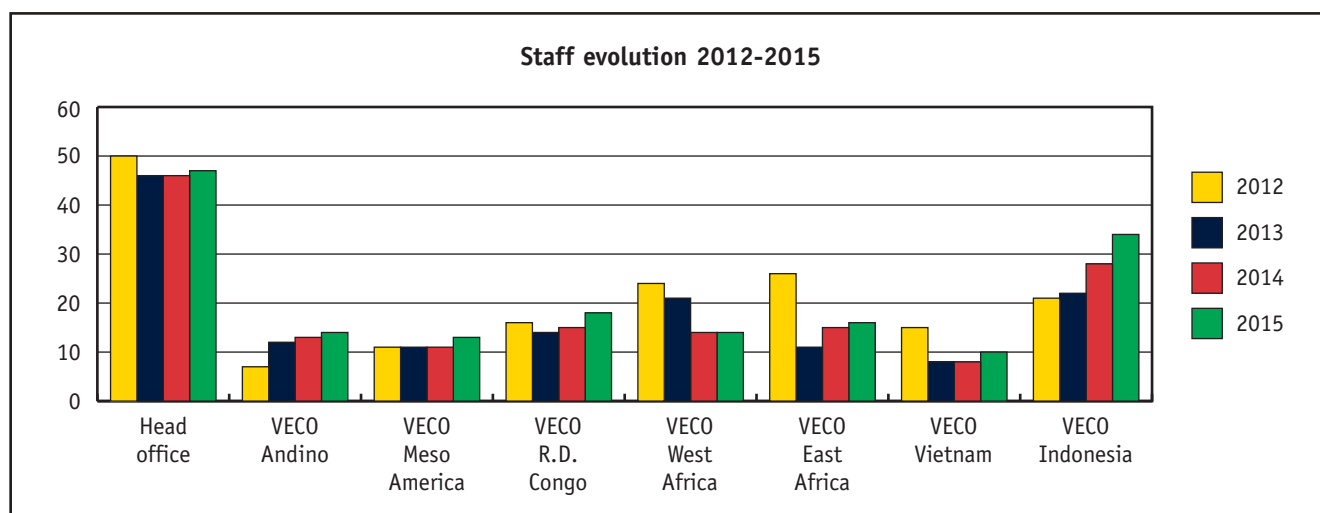
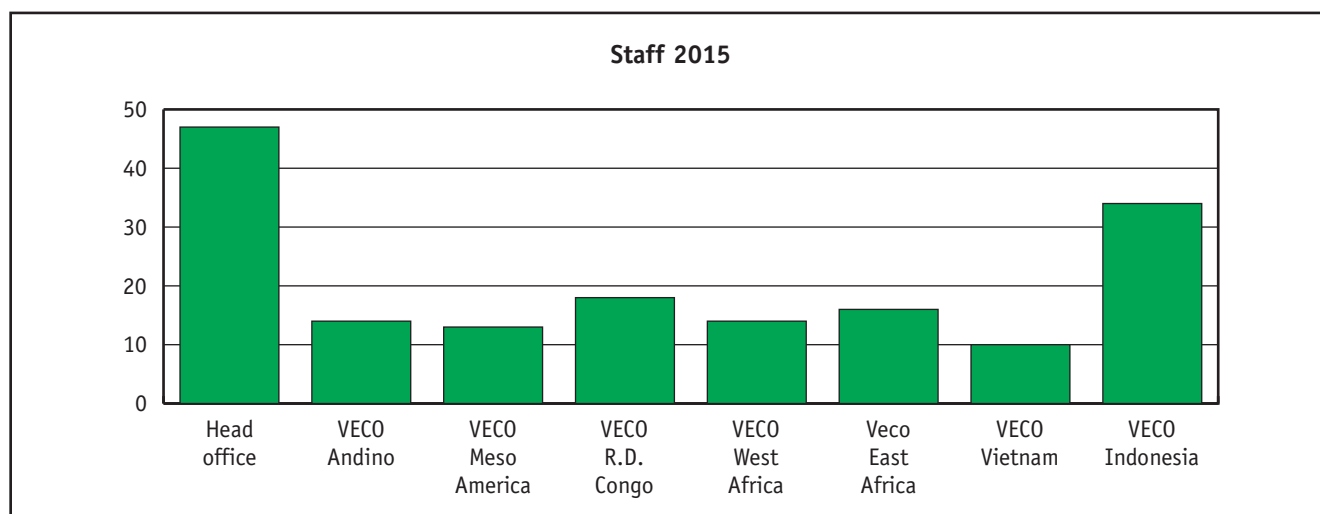
The numbers about the head office were collected through statistics and reports

from the electronic payroll programme. The numbers about the other offices have been taken from the audit reports.

### 2.1. Workforce

In 2015 VECO had 166 employees worldwide. We notice that the total number of employees shows an upward

tendency. In 2013 we have reorganized two regions, causing a decrease of the number of employees. Since 2014 the tendency is again upwards, especially in regions that received additional resources to expand their programme.

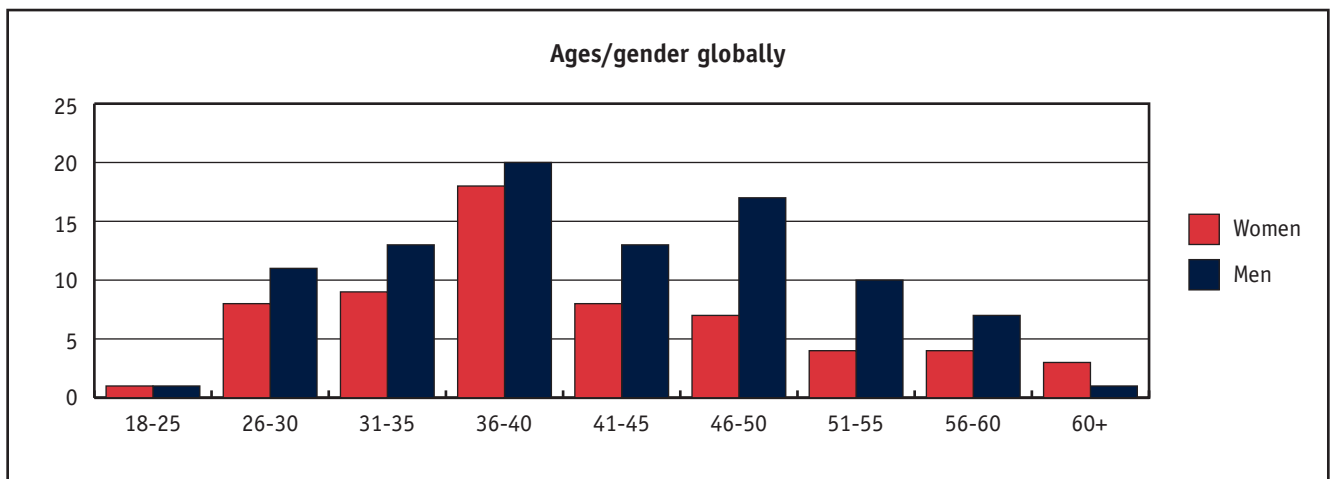
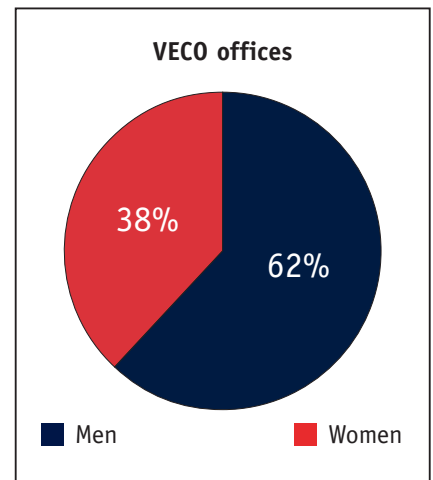
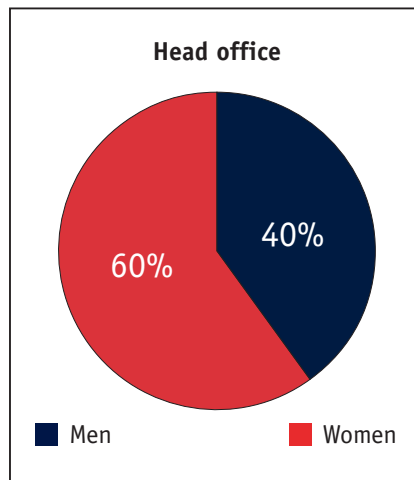
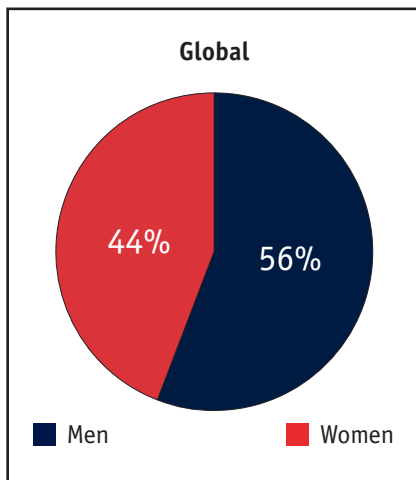


In Belgium all staff is hired with a permanent employment contract. Only in exceptional cases, for a specific temporary assignment or a clearly described task a fixed-term contract is issued.

In the other VECOs it is customary to issue fixed-term contracts which can be renewed.

If we look at the entire organisation, the male-female ratio seems reasonably balanced: 56% men and 44% women.

However, there is an interesting difference between head office and the other offices. In the latter, many more men are employed in proportion, whereas there are more women employed at head office.



We also notice that women are more represented in the age categories up to 35 years, and men in the higher age category.

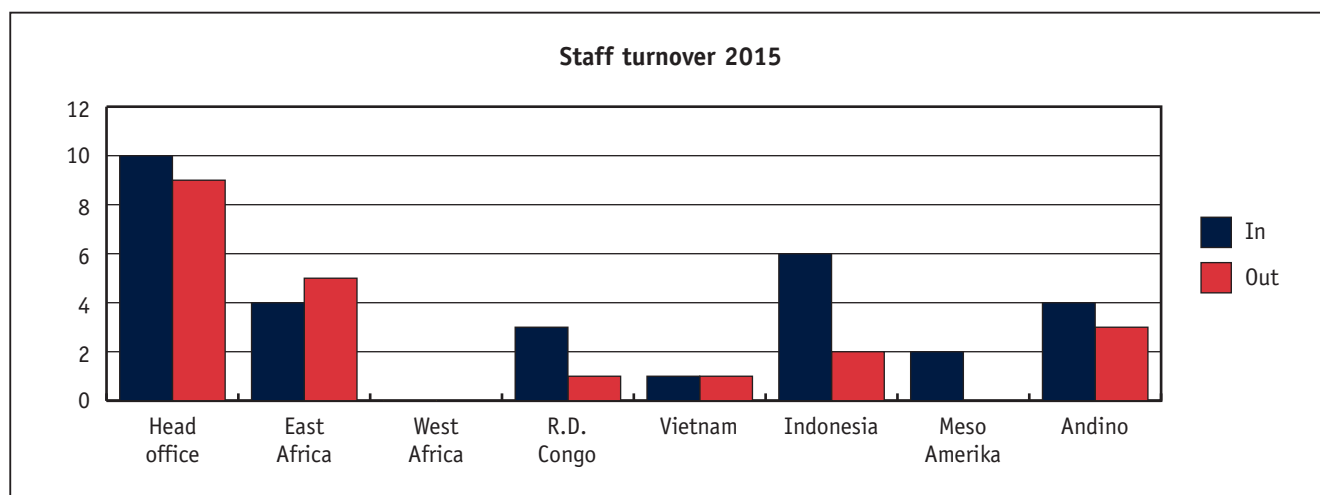
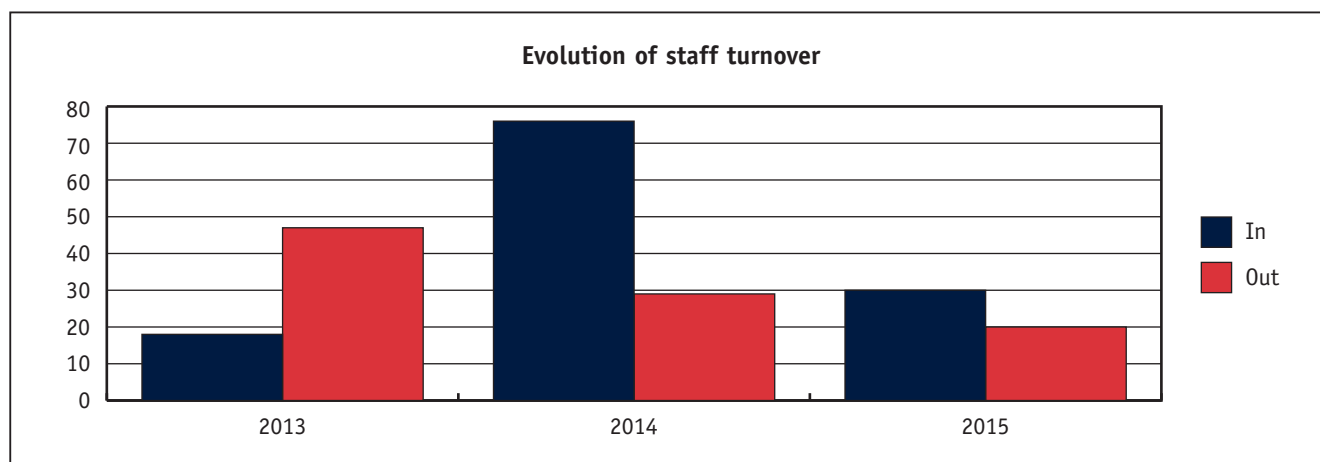
Part-time employment is mainly found back at Head office. In the different VECO offices, it only occurs most exceptionally. Part-time employees receive the same fringe benefits as full-time employees. No difference is made.

The salary equality between men and women is 100%. Where they exercise the same function, men and women receive the same salary.

## 2.2. Staff turnover

In 2015 we had some job students at head office, and a number of persons were hired for a temporary assignment. The increasing number of employees

worldwide is also reflected in the evolution of staff turnover. Also in 2015, more people were recruited than went out of service in most VECO programmes.



### 2.3. Rejuvenation

Most recruitment involves people in the age category of 31 to 40 years. The group of 18 to 30 years is also on the rise.

The average age for the entire organisation is 42 years. At head office, the average age (44 years) is some years above that in other VECOs (40 years).

At head office we are committed to rejuvenation, both for new recruitments as through the inclusion of interns. The latter ensure innovation and rejuvenation within the organisation. They bring in new ideas, visions, and work

methods as well as current and up-to-date knowledge. Moreover, it is a good recruitment basis to hire staff. Working with interns provides the opportunity to have young people grow through in Vredeseilanden or the North-South sector. We offer internships at head office as well as in VECOs worldwide. In 2015 we cooperated with interns in the human resources department, sustainable catering, lobbying and communication.

In 2015 the head office also had a volunteer in the EVS (European Voluntary Service) framework. This exchange programme offers young Europeans the possibility to gain labour experience in a different European country. Thus, our

communication department was reinforced by a Catalan young woman during six months.

Also other VECOs regularly cooperate with interns from local universities. Since 2009 VECO is also involved in the junior programme of the BTC (Belgian Technical Cooperation). This programme offers young people the opportunity to gain a first professional experience in the development cooperation. They work at least one and not more than two years in a BTC project or in a programme of a Belgian NGO. In 2015, six BTC juniors were operational in Ecuador, Peru, Vietnam and Tanzania.

## Salary Policy

VECO strives for a fair remuneration to all employees for their contribution to the organisation's mission, taking into account their qualities and relevant work experience, and comparable to similar organisations. Apart from the wage and contributing to VECO's mission, also other elements contribute to employee motivation: flexible labour conditions, development of new skills, potential for new responsibilities and opportunities to work with colleagues in other continents.

In terms of salary and fringe benefits there is complete equality between men and women, and between employees with open-ended and fixed-term contracts, both at head office and in the VECO offices.

The salary system at head office is based on Belgian government scales. Eight scale categories are used, in which every employee is scaled based on his/her function and the number of years of relevant work experience. Every employee also receives meal cheques, group insurance, hospitalisation insurance and reimbursement of travel to and from work.

The members of the Executive Management receive a salary based on the scale category management or general manager. In addition to the general fringe benefits they also receive a representation cost allowance and a smartphone with subscription.

Nobody receives a company car. At head office one car is available that can be used by everyone who needs it for work purposes.

At head office there is a 'healthy' wage gap of 1 to 3, in other words: the highest wage is three times more than the lowest wage. The union standard for good a wage gap is 1 to 4.

No performance reward or other bonus system is foreseen, not in the VECO offices either.

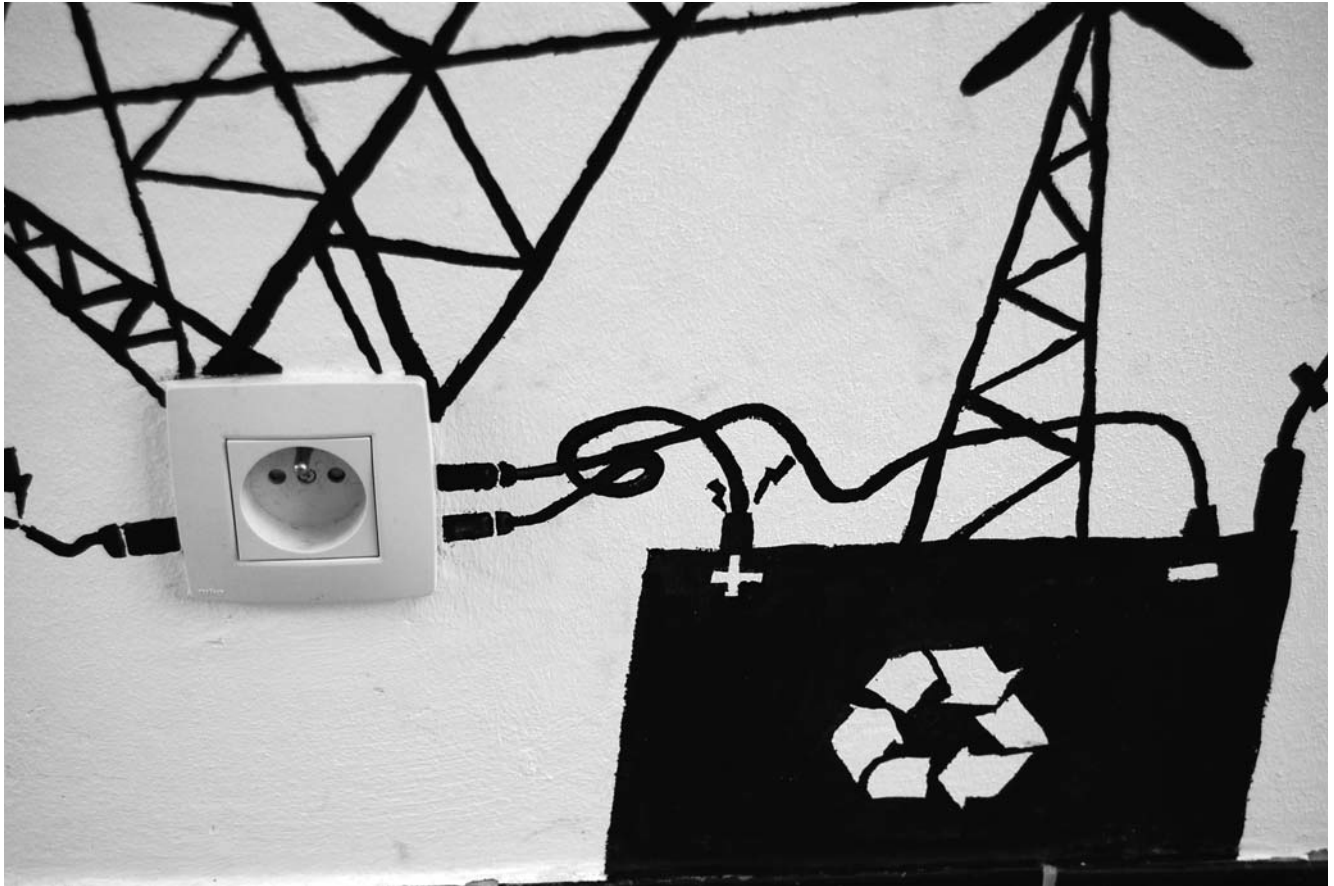
In the VECO offices every region has its own salary system, based on the local context. However, every salary system is built according to the same principle of scaling in according to function and based on relevant work experience. Salary scales are established through a comparative study with similar organisations. VECO wishes to position itself right above the average, aiming at being able to recruit competent employees.

Also in the VECO offices there are fringe benefits. This can translate in hospitalisation or life insurance, pension fund, 13th month, additional leave, transportation compensation,...

### 2.4. Volunteers in Belgium

Each year some 8,000 volunteers hit the Belgian streets in January to ask for attention and support for farmers' families in Africa, Latin-America and Asia. Moreover, many volunteered for VECO in the course of the year 2015:

- 369 core volunteers acted as VECO's ambassadors in their communities. Six of them travelled to Senegal to visit our partner organisations;
- 5 young people went on a trip to Senegal and talked about their experiences in secondary and primary schools;
- 7 volunteers helped with translation, editing, lay-out work and fundraising events at the head office.





## Chapter 6: VECO's environmental policy

### Towards a smaller ecological footprint

#### 1. Ecological footprint head office

In the past few years, VECO's head office strongly focused on some aspects of its environmental policy: reducing the consumption of water, gas and electricity; strongly encouraging the use of public transport; using eco-friendly detergents, increasing the share of fair trade and organic products in our catering. In 2011, we renovated the whole office building and turned it into a sustainable workplace.

To our own surprise, water use and electricity decreased significantly com-

pared to the previous years. As for electricity, we have implemented a system to ensure that all the slumbering consumption in the office decreases dramatically, and we have replaced the halogen spots in the refectory by LED lighting.

On the other hand, gas use increased compared to last year. This has to do with the remodelling of the basement, our lunch place. This was affected for many years by a serious moisture problem. In 2015 we split the basement in half and separated it with a wooden wall, while the retaining wall was placed one meter further. A staircase was mounted and large sash windows to draw light into the basement. The

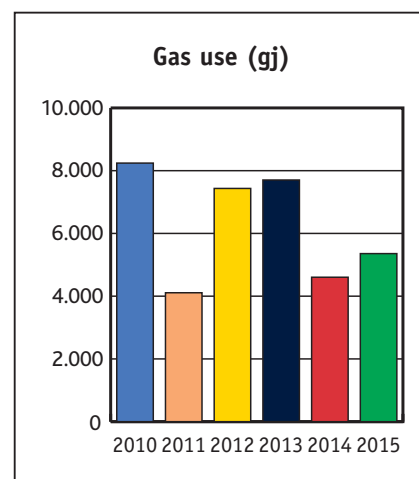
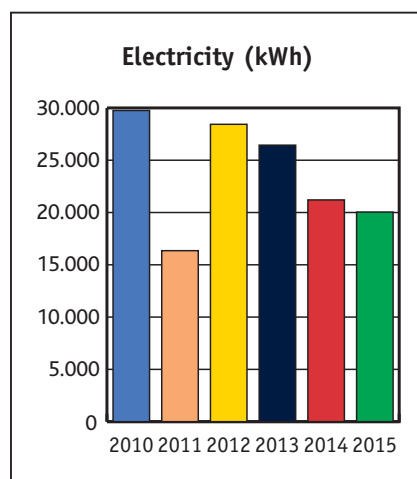
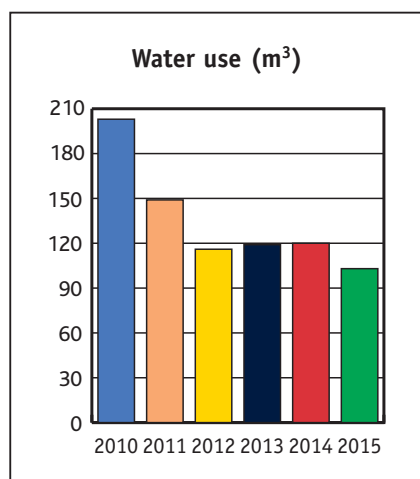
upgrading of our lunch rooms has increased the value of our building, has made the access to the garden more easy, and has created additional space for meetings of large groups.

However, during the renovation there was heat loss through the temporary wooden wall, which led to an increased gas use.

Working sustainably also considers commuting. Of course, working from home is possible. 92% of our employees use public transportation or the bicycle to come to work. Our office is close to the railway station (a ten minutes' walk) and there is a shower for cyclists soaked in sweat.

	Water use (in m <sup>3</sup> )	Electricity (kWh)	Gas use (gj)
2010	203	29.755	8.242
2011*	149*	16.351*	4.109*
2012	116	28.435	7.434
2013	119	26.440	7.703
2014	120	21.205	4.604
2015	103	20.040	5.357

\* 2011 is an atypical year, because the office building was being renovated and for several months we stayed in a building where the use of electricity and natural gas were included in the rent (therefore, data from these months are missing here).



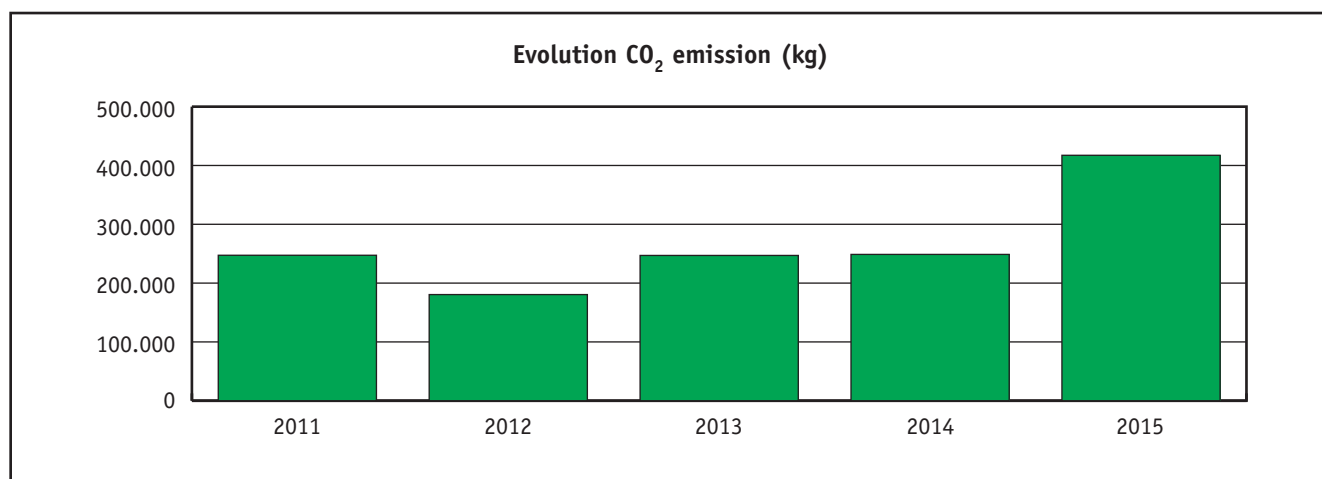
Travelling by plane is still necessary for our operations. It is essential for an international organisation to have regular contacts with colleagues in various continents. We use Skype as much as possible to exchange information, but the internet connections in most countries where we work are too unstable to organise video conferences (certainly in Africa). Moreover, face-to-face exchanges are so much more valuable. Therefore travelling from Belgium to the VECO countries and between VECO offices is necessary. We are aware of the fact that this strongly increases our ecological footprint and

we try to combine as many assignments on one trip.

Airplane travel increased enormously in 2015. The success of the Classics (fund-raising mountain bike trips in Indonesia, Benin, Nicaragua and Tanzania) increased the number of tickets for supervisors. These airplane tickets from participants are not included in this overview. Besides that, two General Councils were organised to help our colleagues from the VECO offices in shaping the transition towards a network organisation.

We are also committed to compensating all airplane travel that is done from our head office (by staff and volunteers). We use the formula and calculation for compensation of [www.treecological.be](http://www.treecological.be). The money goes to a specific VECO project in Tanzania. In this project we look together with the Masai pastoralists for solutions to maintain soil fertility of their land and to better manage water in dry periods.

	Airplane travel (km per year)	CO <sub>2</sub> emission (kg)	CO <sub>2</sub> compensation (euro)
2011	722.910	247.345	6.470
2012	531.445	180.500	4.061
2013	725.510	247.030	5.549
2014	721.670	248.780	5.595
2015	1.201.430	417.317	9.219



## Environmental achievements of the Head Office

	achievement 2013	achievement 2014	achievement 2015
<b>PAPER</b>			
total purchase of A4 paper per year (number of sheets)	120.000,00	60.000,00	180.000,00
total purchase of A4 paper per person per year (number of sheets)	2.666,67	1.304,35	4.000,00
share of recycled A4 paper purchased compared to white paper	100%	100%	100%
total consumption of A4 paper per year for mailings (number of sheets)	1.013.900	1.011.500	416.722
<i>The mailings sent to private donors and volunteers constitute the main share in paper use. In 2015 the use of paper dropped spectacularly because we did not add fundraising inserts with newspapers or magazines. However, we printed more in house for events, therefore more paper was purchased.</i>			
<b>OFFICE SUPPLIES</b>			
Amount of ecological office materials compared to the total	9%	11%	7%
<i>At the end of 2014 we purchased quite some office supplies, therefore in 2015 we hardly had to purchase any.</i>			
<b>FOOD PRODUCTS</b>			
amount of purchases of food products with Biogarantie (guaranteed organic) and/or fair trade label	83%	96%	83%
<i>If a food product is offered and there is a variant with the organic or fair trade label, we choose to purchase that variant.</i>			
<b>MAINTENANCE PRODUCTS</b>			
amount of purchases of ecological maintenance products compared to total purchases	90%	90%	90%
<i>All purchased maintenance products are from Ecover, except for some products for which it is hard to find an ecological alternative. We continuously monitor if we can replace certain products by an ecological alternative.</i>			
<b>WATER</b>			
annual use in m <sup>3</sup>	119	120	103
m <sup>3</sup> /person/year	2,64	2,61	2,19

	achievement 2013	achievement 2014	achievement 2015
<b>ENERGY</b>			
electricity: green power kwh/person/year	587,55	460,98	632,51
heating gj gaz/person/year	171,10	1.000,09	1.151,30
<i>Vredeseilanden uses green electricity. The winter of 2015 was colder, therefore more electricity and gaz were used.</i>			
<b>WASTE</b>			
quantity of waste per person per year (in kg)	8	8	8
quantity of PMD waste per person per year (in kg)	0,5	0,8	0,8
quantity of paper waste per person per year (in m <sup>3</sup> )	0,8	0,5	0,5
quantity of GFT waste per person per year (in kg)	13,9	13,6	13,6
quantity of beverage packaging with returnable deposit compared to total purchase of bottles	95%	95%	95%
<b>MOBILITY</b>			
professional work trips: share of public transportation	66%	60%	59%
home to work trips: share of km made with train, bus, bike or on foot	94,34%	92,37%	92,87%
airplane travel: km per year	725.510	721.670	1.201.430
conversion of airplane travel in CO <sub>2</sub> emissions: kg CO <sub>2</sub> emissions per year	247.030	248.780	417.317
CO <sub>2</sub> compensation	5.549,00	5.595,49	6.567,85
<i>Two service bicycles are available for employees. We have a Blue Bike suscription, with which employees can easily combine public transportation with a Blue Bike bicycle for work trips.</i>			

## **2. Ecological footprint of our offices in Africa, Asia and Latin America**

Since 2012, we have been reporting on the environmental achievements of our regional offices. We hereby limit ourselves to a number of relevant key indicators that are easy to follow for all offices. You can find the data in the table on page 50-51.

We have not noticed important shifts compared to last year, except in the field of mobility. In some regions (West Africa, East Africa, Vietnam), an extension of the programme to neighbouring countries is being prepared or has already been started. The number of air miles and/or kilometres per car has thereby significantly increased. The start-up of the international network organisation also implied additional international travel. Another point of attention for the coming years: fully focus on high quality and efficient ICT infrastructure to reduce physical meetings. The slow internet connections in some regions remain the biggest obstacle to fluent communication, e.g. through video conferences. In East and West Africa, the big difference in kilometres is also due to an erroneous calculation last year: only air travel and distances made per car from the regional offices were included. This year, also the transfers of our colleagues who work in smaller offices close to the farmers' organisations have been included.

The use of public transportation continues to be practically unfeasible in most regions, due to the bad state of the roads, a limited offer, and unsafety. Also for transportation to and from work the car is often used, whereas biking or walking are not really considered. Sometimes, this is a cultural issue, and linked to social status.

In terms of use of paper, not a lot has changed. The use of energy-efficient lamps is established everywhere, and some offices use alternative sources of energy (solar energy) for their energy provision. In a number of offices they have started with separate collection of organic waste, but sorting separated waste is in most regions not feasible yet.

## **3. Ecological sustainability as an integral part of the sustainability policy in all VECO programmes**

Our interventions and activities in Africa, Asia and Latin America not only have an impact on the living conditions of farming families; they have also consequences for soil fertility, the use of water, emission of certain greenhouse gases, etc. Measuring ecological aspects is therefore an essential part of the global sustainability screening, and in the three-year impact measurement we report on the use of natural resources as well. The next impact measurement will take place at the end of 2016.

Because of the strong focus on economic and social sustainability, we found that the ecological aspect had somewhat fallen into oblivion. There was a need for a clearer vision and point of view concerning certain aspects of ecological sustainability. A small work group consisting of staff from the head office and regional offices started working. In the first year (2014), they formulated together the VECO vision on natural resources management, agrobiodiversity, climate change, genetically manipulated organisms and agro-ecology. These texts can be found on our website: [www.veco-ngo.org/en/news/reflections-and-positions-veco-aspects-sustainability](http://www.veco-ngo.org/en/news/reflections-and-positions-veco-aspects-sustainability).

In 2015 we translated this vision into concrete manuals for our colleagues, so they could better monitor and adjust key ecological aspects in a certain agricultural chain. We drafted a list of all ecological obstacles by product group. Thus, rice in irrigated fields (where rice plants are submerged) emits significant quantities of methane, or the depulping of coffee beans leaves quite some organic waste. How do you deal with that? The manuals for colleagues will be ready in 2016. Already a thesis student has started doing research and will deliver specific measuring tools for the rice sector.



## Environmental achievements of VECO offices in Africa, Asia and Latin America

	VECO Vietnam			VECO Mesoamérica			VECO RD Congo		
	2014	2015	Target 2016	2014	2015	Target 2016	2014	2015	Target 2016
<b>Use of papers and toners</b>									
Recycled paper available?	no	no	no	yes	No, only note blocks		no	no	no
% recycled paper	0%	0%	0%	50%			0%	0%	0%
Awareness raising among staff on reducing paper use?	yes	yes	yes	yes	yes	yes	yes	yes	yes
Percentage or use (yes/no) of recycled toners		100%	100%	74%			0%	0%	0%
<b>Energy</b>									
Use of energy-saving light bulbs?	yes	yes	yes	yes	yes	yes	100%	100%	100%
Energy-saving measures (switch off computers in the evening, monitors,...)	yes	yes	yes	yes	Laptops are not connected the whole day. Airco only between 10 AM and 4 PM.		yes	yes	yes
Airco temperature?	25°	20-25°	20-25°	20-24°	24°	24°	no airco	no airco	no airco
<b>Mobility</b>									
Work related trips:									
– flights	8	36	35	8	5	24*	26	40	55
– car (in km)	30.000	56.090	40.000	62.803	50.349	50.100	36.661	35.000	45.000
– public transport (routes)	20	15	16	10		16	nvt	nvt	nvt
Commuting:									
– car/motor (number of staff members)	10	10	11	7	8	8	9	8	8
– public transport (number of staff members)	0	0	0	4	4	4	nvt	nvt	nvt
– on foot/bicycle (number of staff members)	1	2	2	0	0	0	3	2	1
<b>Water</b>									
Use of rain water	no	no	no	no	no	no	no	no	no
<b>Waste</b>									
Waste collection or recycling	paper	paper	paper	paper	paper plastic	paper plastic	organic waste	organic waste	organic waste

\* International flights only. In general, people use the bus to travel within the region (for example between the offices of Nicaragua and Honduras).

VECO Indonesia			VECO Andino			VECO East Africa			VECO West Africa		
2014	2015	Target 2016	2014	2015	Target 2016	2014	2015	Target 2016	2014	2015	Target 2016
no	no	no	yes	yes	yes	no	no	no	no	no	no
0%	0%	0%	10%	10%		0%	0%		0%	0%	
yes	yes	yes	yes	yes	yes	yes	no	yes	no	no	
0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
	yes	yes	yes	yes	yes	yes	yes		yes	yes	
	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
	22-25°	22-25°	–	no airco	no airco	no airco	no airco	no airco	25°	22-30°	
	155	140	169	180	170	3	70	50	3	7	5
	14.853	14.000	20.000	20.000	18.000	6.739	140.000	140.000	6.379	42.774	47.020
			92	97	100	0	6	6	0	0	0
motor 8 car 3	13	11	1	4	4	1	13	13	1	2	2
0	0	0	7	9	8	0	4	4	0	0	1
1	1	2		2		1	3				
no	no	no	no	no	no	no	no	no	no	for cleaning	for cleaning
yes	yes	yes	paper plastic organic waste	paper plastic organic waste	paper plastic organic waste	no	no		no	no	no



## Chapter 7: Private fundraising in Belgium: no 'one night stand'

VECO receives financial support for its operations from different sides. Apart from government and foundation money, 18% of our revenues comes from private fundraising: donations from individuals or sponsoring actions. Even if it is "only" 18%, the importance of private fundraising is high. Indeed, we need these 'own resources' to be able to claim government subsidies. Moreover, the support of so many individuals gives us legitimacy and proves that we have a social base of people who express their trust in VECO with a donation, cooperation in the campaign, participation in activities,...

Apart from donations through direct marketing and direct debits, gifts from companies, legacies and the annual campaigning weekend in January, our sponsoring events have become an important source of income:

- 917 runners participated in the 20 km of Brussels,
- 113 participants cycled a Vredeseilanden Classic,
- 141 people took part in the charity dinner together with P.A.R.T.S., the dance school of Anne Teresa De Keersmaeker.

### 1. Ambassadorship is more than a successful marketing strategy

Only focusing on publicity no longer works. You don't believe in it any more, except if you receive positive feedback from a friend, family member or colleague about a product, service or organisation. Research by Nielsen<sup>1</sup> shows that 83% of the people are influenced in their purchasing behaviour, mainly by their immediately social network which acts as a 'recommender' or an 'ambassador'. However, ambas-

sadorship is so much more than a successful marketing strategy.

From the start, VECO can count on loyal supporters. At the time, they were volunteers who collaborated in the campaign, and donors. Today we can luckily still count on many loyal volunteers and donors. On April 18 we brought leading volunteers from all provinces together to provide us with feedback and ideas. It was a beautiful day, full of ideas to make the campaign in their municipality livelier and about how we can continue to involve and appreciate them. However, especially the warmth, closeness and the shared drive for the mission and values of VECO keep resonating.

In recent years, always new potential ambassadors joined. Bikers who tasted a VECO Classic were later so enthu-

## Zuiddag (South Day Foundation)

Ten years South Day in Belgium, that means: a festive edition. Lots of excitement on January 24, when about



forty young people voted for the project they wanted to support. And, for the fourth time in ten years, their choice was Vredeseilanden. An awesome year again for us, especially for VECO in Nicaragua and for the young people's project of our partner organisation La Campesina. The project wants to provide better and more sustainable opportunities for the future to young people by letting them take initiative with us in the cocoa culture and sector.

The South Day campaign reached its peak on November 22. About 16000 young people worked in a company that day, and the salary was donated to South Day – and hence, to VECO.

1 Nielsen Global Trust in Advertising Survey - Q3 2015

siastic that they could convince also other cyclists from their network to participate. Often it does not stop with one participation; in every new Vredeseilanden Classic we see familiar faces. Several hundreds of people already participated to our Benefit Dinner and thus got to know VECO, with our values, challenges and plans.

In short, recently we have invested in new fundraising models, but we have also gained new ambassadors. The time is ripe to continue with a number of those ambassadors, to discover in which way they can involve their network. Promising customization.

## 2. Partnering with companies for our fundraising

VECO and companies seek and find each other more and more often to achieve added social value. They are an important stakeholder (see page 11). Examples are the cooperation with Colruyt Group, Noliko, Agrofair, Mars,... Companies can be an important motor in developing a certain region. Vredeseilanden puts its expertise, field knowledge and good contacts with farmers (organisations) in the balance of this win-win situation.

Also in fundraising we cooperate with companies: through Entrepreneurs for Entrepreneurs, for the Run to Africa (20 km through Brussels) or a Vredeseilanden Classic tailored to company staff. We expect this can only increase.

Since 2015, we choose whether or not to collaborate with companies based on a number of guidelines. They describe the basic conditions for cooperation as well as situations in which cooperation is not an option.

## 3. Privacy and transparency

The privacy of our donors is guaranteed. VECO uses personal data only for administrative purposes and in order to inform them about our activities. Personal information is never shared with other organisations, institutions or companies. Everyone has the right to review these data, have them changed or removed at any time. In 2015 we received not one complaint.

Moreover, VECO wants to communicate clearly and transparently to all its donors what happens with the money collected. We do so on our website [www.veco-ngo.org](http://www.veco-ngo.org) (go to the 'discover and invest' section). Apart from that, VECO cooperates with the initiatives around transparency and accountability mentioned below:



The Vereniging voor Ethische Fondsenwerving (Association for Ethical Fundraising) guarantees the moral quality of

fundraising and transparency of the accounts. The right to information is part of that code. This includes that donors, collaborators and staff are informed at least once per year about what is done with the funding acquired. This annual report responds to that. Every year we are assessed and the results are posted on their website.

## DONOR INFO

A database with objective information and audited figures of development and aid organisations.

## ngo-openboek.be

Ngo-openboek is a database about and of Belgian NGOs. The site shows how the money from gifts and grants is spent.



Philanthropy.be

The project Philanthropy.be is an initiative from the King Baudouin Foundation. The website aims at becoming an essential crossroads for social profit players, contribute to transparency of the sector and encourage exchanges between players.



## Chapter 8: Financial annual report 2015

### Introduction

In this chapter we present a complete financial overview of the entire Vredes-eilanden/VECO group: head office in Belgium, as well as our regional VECO offices in Africa, Latin America and Asia. That way we can provide a correct and complete image about the totality of our activities. VECO is one of the few Belgian NGOs that presents entirely integrated numbers.

Admittedly, the integration of these numbers is a complex process, as all countries need to report to head office in a uniform way, according to the prevailing rules in Belgium, which are

often pretty different from accounting rules in the VECO regions. Next, these reports are verified by the financial department at head office. After that, the local auditors of the international audit office KPMG visit every office and report on their findings. Head office is also subject to a thorough control, more specifically by Clybouw Auditors. After a critical reading of all reports from the various offices, the board of statutory auditors of VECO, consisting of Clybouw Auditors and KPMG, elaborates its final report.

At the end of the fiscal year 2015 we can again say that VECO is a very healthy organisation from a financial

point of view, and can face the future with confidence.

The financial reporting consists of three parts: the results statement (annex a), the balance sheet (annex b) and the report of the auditor (annex c). The results statement gives an overview of all costs and revenues of the organisation during one year. The balance sheet presents the overview of all assets and liabilities of VECO as per the last day of the year reported. The report of the auditor is an independent opinion on our internal control mechanisms and the accuracy of the figures presented. Apart from the integrated balance sheet and results statement of the

### Corruption risk and fraud prevention

In 2015 one case of fraud was detected, fortunately without loss of funds. The employee in question, a staff member of VECO RD Congo, was fired immediately. Hence, working on fraud prevention and improving internal control systems remain points of attention for Vredes-eilanden/VECO. Our Code of Conduct was further distributed across the various regional offices. But we also want to work in a structural way around training and awareness building. In view of a systematic quality improvement of our financial reporting and an improvement of the internal financial control, the financial department of the head office was reorganized and expanded. One additional person focuses specifically on the introduction of new finance staff and continued support of the financial managers in the various VECO offices on the one hand, and performs internal financial audits on the other hand.

The internal financial audits are done on behalf of the Audit Committee of the Board of Directors. The new person must allow for planning, executing and monitoring these internal financial audits in a more systematic way

and at the same time make sure that all country offices are addressed. In 2015 there was an internal financial audit in our offices in East Africa. These financial audits are always aimed at detecting possible weaknesses and risks, and at the same time at improving existing work methods and systems. For 2016, already 2 similar internal financial audits are planned: in West Africa and Central America.

An aspect that is always addressed in supporting or internal audits of regional offices is the purchasing policy. There is a general purchasing policy which states, among others, that for purchases above 5000 euros at least 3 tenders are required, which have to be compared in order to be able to choose the best option among them. In many regional offices, this limit is even placed lower because of local market conditions and customs. However, it appears to remain a point of attention. An often recurring bottleneck in various regions we are active in is often the limited availability of possible suppliers for specific services or goods, or the reluctance of possible suppliers to give quotes.

entire VECO organisation, we also present a detailed image of the results statement of head office (see next page).

In order to be able to report in a correct way to our various donors and the general public, VECO head office uses an analytical accountancy which divides costs and revenues at two different levels: at department level and at donor level. For our regional offices, costs and revenues are separated at least by donor.

## 1. Results statement

### 1.1. Analytical results statement of head office

Unlike the figures of the integrated results statement (see annex a), the table on the next page presents the expenses of head office separated per department. This has the advantage that we can show very clearly how much we really spend on the operations of each department and – more specifi-

cally – on general management, fundraising and achieving our programme objectives.

2014 was characterized by a late start of the DGD programme, causing general underspending at the end of that year. In the budget for 2015 it was foreseen that activities would reach cruising speed. This explains the increase of the budget.

If we compare the actual result of 2015 with the budget for 2015, we notice underspending again. The programmes in Africa, Asia and Latin America reach a spending percentage of about 85%, for our programme in Belgium this is 90%. Despite this underspending, more has been spent than in the previous year, and part of the backlog of 2014 was recovered, as is demonstrated by the overview in annex, indicating expenses per region for 2014 and 2015.

Apart from that we see that contrary to the loss of -85.532 euros budgeted for 2015, we reach a positive result of 18.112 euros. This can be explained

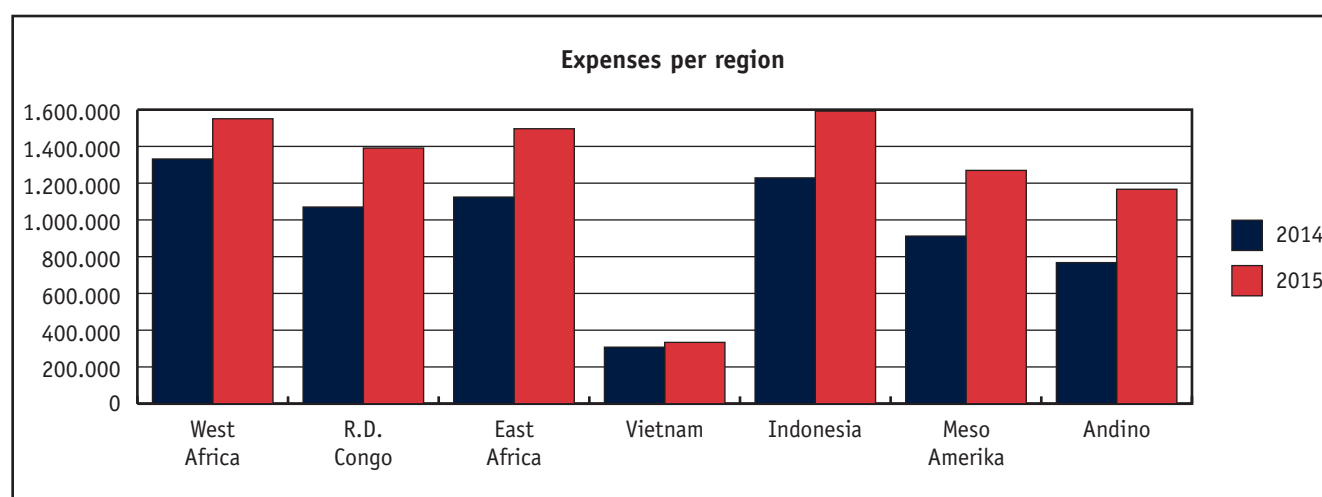
among other factors by the good results of private and institutional fundraising, but also by lower expenditure on overhead costs and fundraising.

### Analysis of expenses and revenues

#### ◆ Overview of expenses 2015

##### General Management

General Management expenses are operational and personnel costs of the support services at head office (secretariat, human resources, finances, strategy development), of management and the governance bodies. Percentage-wise, spending in 2014 was as high as in 2015. In absolute figures, however, we see an increase of 101.242 euros compared to 2014. This increase is nearly entirely situated in the field of management, namely the costs for external consultants who facilitate the transition to a network organisation (see page 35). With 8%, the percentage in any way remains below the proposed 10%. As a fundraising organisation we are legally obliged to maintain this percentage below 20%.



## Result 2015 compared to Budget 2015 and Result 2014

EXPENSES	RESULT 2014	BUDGET 2015	RESULT 2015	%
<b>GENERAL MANAGEMENT</b>	<b>915.531</b>	<b>1.108.068</b>	<b>1.016.774</b>	<b>92%</b>
Executive Management and governing bodies	134.588	305.581	251.259	82%
Human Resources	148.597	134.383	124.272	92%
Finance	323.136	344.287	321.393	93%
Secretariat	123.819	134.317	131.029	98%
Strategy	185.391	189.500	188.820	100%
<b>FUNDRAISING</b>	<b>646.266</b>	<b>833.640</b>	<b>799.895</b>	<b>96%</b>
Fundraising	475.400	598.140	547.497	91%
Costs invoiced to third parties <sup>1</sup>	170.866	235.500	252.399	110%
<b>PROGRAMMES</b>	<b>9.811.654</b>	<b>13.464.931</b>	<b>10.084.792</b>	<b>75%</b>
<b>PROGRAMME IN BELGIUM</b>	<b>674.574</b>	<b>881.415</b>	<b>765.984</b>	<b>87%</b>
Operations North	349.701	424.443	422.807	100%
Constituency	308.849	421.972	343.177	81%
Provision for risks of the organisation (head office)	16.024	35.000		
<b>SUPPORT AND DEVELOPMENT</b>	<b>1.412.845</b>	<b>1.633.239</b>	<b>1.552.558</b>	<b>95%</b>
Communication	435.848	437.589	414.100	95%
Program Development Team	976.997	1.195.650	1.138.458	95%
<b>PROGRAMME IN AFRICA, ASIA AND LATIN AMERICA</b>	<b>7.724.235</b>	<b>10.950.277</b>	<b>7.766.250</b>	<b>71%</b>
<b>COORDINATION OF THE PROGRAMME EXPERTISE</b>				
Innovation fund	61.561	200.000	19.385	10%
Expatriates	336.616	448.293	349.395	78%
Provision for risks of the organisation – VECO regions	12.489	35.000	88.605	
<b>VECO REGIONS</b>	<b>7.313.570</b>	<b>10.266.984</b>	<b>7.308.865</b>	<b>71%</b>
West Africa	1.331.648	1.776.874	1.550.578	87%
DR Congo	1.070.218	1.326.239	1.391.189	105%
East Africa	1.124.333	1.971.732	1.496.261	76%
Vietnam	307.857	405.622	333.670	82%
Indonesia	1.228.928	1.795.594	1.592.149	89%
Mesoamérica	912.000	1.627.179	1.269.549	78%
Andes	767.737	1.363.744	1.166.870	86%
Transferred from head office to regional VECO offices, however not yet spent for programme <sup>2</sup>	570.849		-1.491.401	
<b>TOTAL EXPENSES</b>	<b>11.373.451</b>	<b>15.406.639</b>	<b>11.901.460</b>	<b>77%</b>

1 These are e.g. expenses for air travel tickets for participants to the Vredeseilanden Classics, T-shirts for fundraising events,... These expenses are incurred by VECO, however the participants to these events reimburse them.

2 In 2015 this is a negative amount. This can be explained by the many balances of subsidies still present in the regions at the start of the year, as well as by an increase of local funding that does not pass through head office.

REVENUES	RESULT 2014	BUDGET 2015	RESULT 2015	%
<b>REVENUES FROM GOVERNMENTS</b>	<b>7.492.567</b>	<b>10.239.819</b>	<b>8.420.082</b>	<b>82%</b>
<b>EU</b>				
Project financing	452.381	367.365	319.948	87%
<b>DGD</b>				
North Program	993.784	1.322.000	1.242.422	94%
South Program	4.712.583	6.882.366	5.376.214	78%
Subsidies for overhead costs DGD	330.198	335.698	335.698	100%
Subsidies for GCAs		29.947	27.110	
BFVZ programs in the South	290.435	214.485	253.970	118%
Synergy projects	268.593	721.740	404.939	56%
PODDO	40.984	32.401	25.109	77%
Flemish government – VAIS	35.591	55.854	33.530	60%
<b>PROVINCES</b>				
West Flanders	0	81.086	85.652	106%
Limburg	8.000	0	4.800	
Antwerp	4.800	0	6.800	
East Flanders	0	0		
Flemish Brabant	10.000	15.090	32.615	216%
<b>CITIES AND TOWNS IN BELGIUM</b>	<b>49.768</b>	<b>7.875</b>	<b>55.046</b>	<b>699%</b>
<b>SUBSIDIES ON SALARIES (Maribel, Gesco, DAC)</b>	<b>289.450</b>	<b>173.911</b>	<b>216.228</b>	<b>124%</b>
<b>Other subsidies (BIM,...)</b>	<b>6.000</b>	<b>0</b>		
<b>REVENUES FROM NGO'S, FOUNDATIONS AND COMPANIES</b>	<b>1.864.117</b>	<b>2.625.712</b>	<b>1.188.036</b>	<b>45%</b>
11.11.11	294.710	259.907	291.846	112%
Common Fund for Commodities	285.014	387.645	242.912	63%
FOUNDATIONS, NON-PROFIT ORGANIZATIONS AND NGO'S	1.284.393	1.218.205	618.279	51%
Locally received in VECO countries		759.955		
Companies			35.000	
<b>REVENUES FROM PRIVATE FUNDRAISING</b>	<b>2.102.720</b>	<b>2.205.576</b>	<b>2.216.981</b>	<b>101%</b>
EVENTS (Loop naar Afrika, Classics,...)	2690.706	415.000	470.230	113%
DONATIONS PRIVATE DONORS	719.872	800.000	724.387	91%
PROSPECTION	16.723	0		
LEGACIES	37.261	0	65.289	
COMMUNITY FUNDRAISING, ENTREPRENEURS FOR ENTREPRENEURS	191.886	50.000		
ZUIDDAG (South Day campaign)	114.000	194.076	186.105	96%
CAMPAIGN	499.401	505.000	531.433	105%
DIVERSE INCOME FUNDRAISING	62.005	6.000	3.480	58%
Income from costs invoiced to third parties	170.866	235.500	236.058	100%
<b>FINANCIAL INCOME + DIVERS INCOME</b>	<b>54.141</b>	<b>50.000</b>	<b>94.472</b>	<b>189%</b>
INTEREST	29.083	30.000	18.985	63%
DIVERSE INCOME	25.058	20.000	75.488	377%
<b>TOTAL INCOME</b>	<b>11.513.545</b>	<b>15.121.107</b>	<b>11.919.572</b>	<b>79%</b>
<b>GENERAL RESULT</b>	<b>140.094</b>	<b>-285.532</b>	<b>18.112</b>	<b>-6%</b>

### Fundraising

Fundraising expenses are staff and operating expenses of the annual fundraising campaign in January on one side, and the fundraising expenses throughout the year on the other side. Compared to 2014 we notice an increase of these expenses in absolute figures of 153.629 euros. Even so we spent 31.745 euros less for fundraising than budgeted, and the % of fundraising amounts to 6% of total expenses, just like the previous year.

Even though income from private fundraising increased, we notice that in comparison we score slightly less concerning the relationship between expenses and income: every euro spent on private fundraising led to 3,1 euros

in revenues. This has to do with the fact that for increased clarity in our financial reporting, from this year on we included included donations from major donors (such as Entrepreneurs for Entrepreneurs) which are destined to specific projects in the category 'foundations and companies'. The legal standard for being allowed to issue tax certificates is 1 in 3, which we still meet.

### Expenses for realisation of the programme objectives

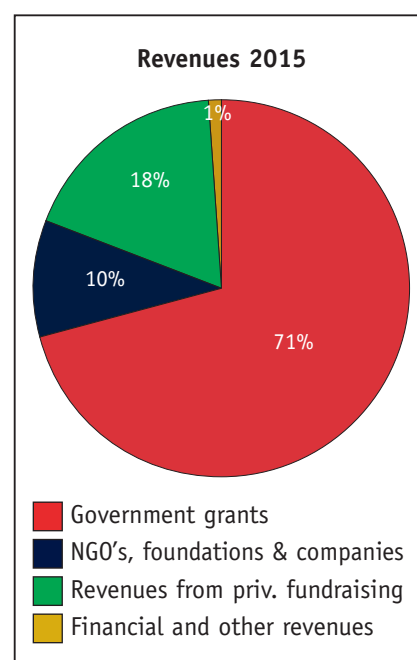
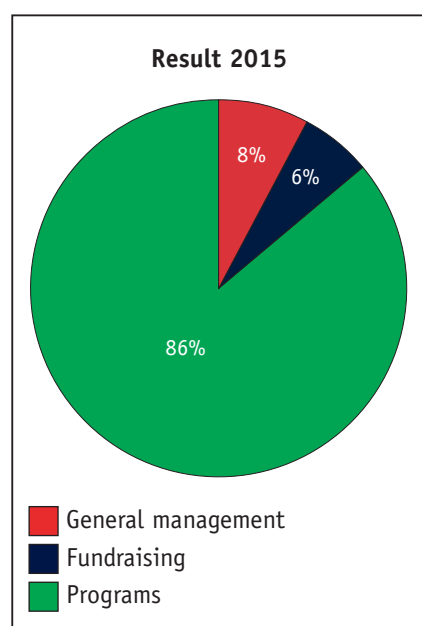
This is the total of expenses after deducting the costs for general management and fundraising. These expenses are for our operations in Belgium as well as for our activities in Africa, Asia and Latin America. Our operations in Belgium consist in cooperation with food and retail companies, lobbying, consumer campaigns, accompaniment of institutional kitchens and awareness raising activities. Communication, collecting and disseminating insights and results of all our programmes and the expenses in Belgium linked to supporting our programmes worldwide can be found under the heading "Support and Development". When we talk about our actions in Africa, Asia and Latin America, we are obviously talking about spending in the various countries themselves, but also about expenses for expats. For an extensive overview of all organisations that obtain financial support from VECO, please see page 16-19.

### ◆ Overview of revenues 2015

VECO has four main sources of revenues, which we briefly discuss below.

#### Government grants

With government grants, the federal Directorate General for Development Cooperation (DGD) continues to be by far our most important source of income. It mainly concerns programme financing, financing from the Belgian Fund for Food Security (BFVZ), and a few programmes on the 'Synergy' budget line. Apart from that, we received an important amount of subsidies from the European Union, for a project in West Africa, and employment subsidies (GESCO, DAC and Social



Costs	Result 2014		Budget 2015		Result 2015	
General management	915.531	8%	1.108.068	7%	1.016.774	8%
Fundraising	646.266	6%	833.640	5%	799.895	6%
Programs <sup>1</sup>	9.240.806	86%	13.464.931	87%	11.576.192	86%
<b>Total</b>	<b>10.802.602</b>		<b>15.406.639</b>		<b>13.392.861</b>	

<sup>1</sup> Possible balances in the regions are not considered for the calculation of the percentage of the programmes. The number concerns only the real expenses in the regions.

Funding sources	Realised 2014		Budget 2015		Realised 2015	
Government grants	7.492.567	65%	10.239.819	68%	8.420.082	71%
NGO's, foundations & companies	1.864.117	16%	2.625.712	17%	1.188.036	10%
Revenues from private persons	2.102.720	18%	2.205.576	15%	2.216.981	18%
Financial and other revenues	54.141	0,5%	50.000	0,3%	94.472	0,8%
<b>Total</b>	<b>11.513.545</b>		<b>15.121.107</b>		<b>11.919.572</b>	
Own resources in VECO regions					716.017,02	

Maribel) as well as subsidies from a number of lower authorities in Belgium (see annex e). We continue to aim at depening for less than 70% from government grants. This year we exceed this percentage, but at the same time we mention that it concerns the number for the head office. Indeed, in recent years more and more fundraising is done by the various VECO's. In 2015 it concerned an amount of 635.134,19 euros (see annex g). These revenues go

straight to our programmes in Africa, Asia and Latin America, and do not go through the head office – hence they are not included in this percentage.

#### *NGO's, foundations and private companies*

In this section we find the grants from a number of Belgian NGOs and foundations – 11.11.11 certainly being the most important one – and grants from a number of NGOs and foundations from

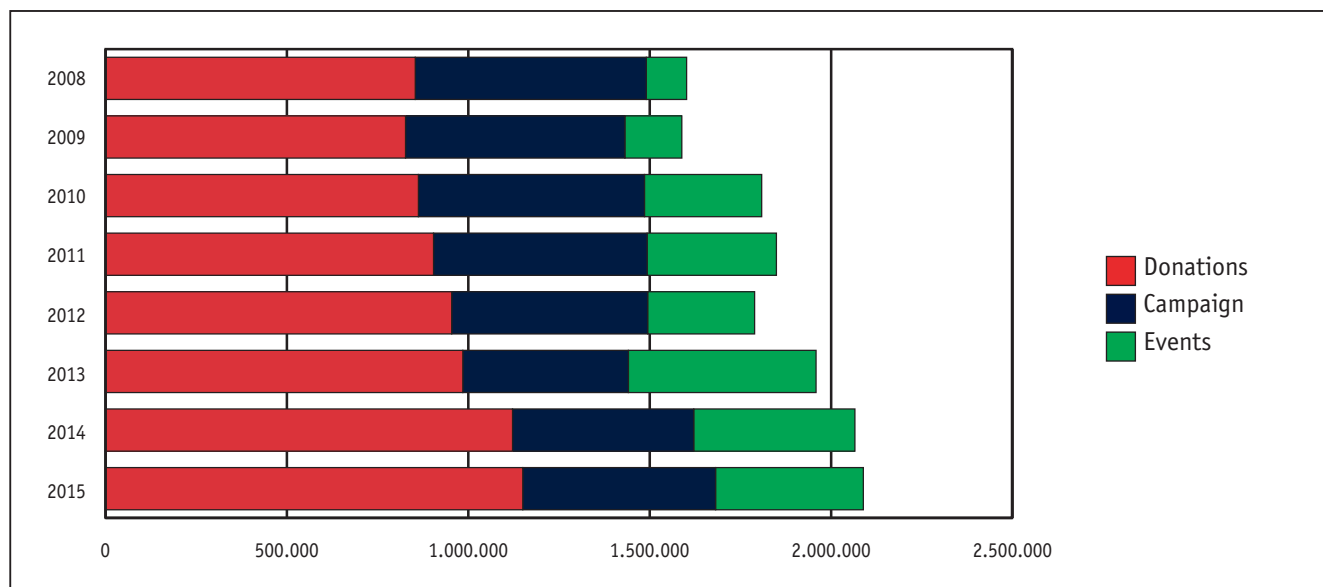
other European countries – of which CFC and the Dutch Cordaid are the most important ones (see annex d).

#### *Private revenues*

This is a very important source of revenue for VECO. It mainly includes gifts that reach us throughout the year (direct debit, donations following mailings...). They show a rising trend which is already evident for a few years. Apart from that there is the revenue from

### Private revenues

	2008	2009	2010	2011	2012	2013	2014	2015
Donations	853.765	826.916	862.424	904.120	954.136	984.782	1.121.843	1.150.030
Campaign	636.808	604.611	623.068	588.635	540.152	456.441	499.401	531.433
Events	111.063	156.903	323.052	356.362	294.753	517.162	444.215	470.230
<b>Total</b>	<b>1.601.636</b>	<b>1.588.430</b>	<b>1.808.544</b>	<b>1.849.118</b>	<b>1.789.041</b>	<b>1.958.385</b>	<b>2.065.459</b>	<b>2.151.693</b>
Legacies	232.161	20.000	0	4.280	245.410	321.864	37.261	65.289





the annual campaign, where we again see an upward tendency in the past two years. The revenue from events has improved again this year after a slight dip in 2014. Of course we are talking here about the Run for Africa (20 km of Brussels), but certainly also about the Classics (bike rides). More on private fundraising on page 53.

Due to their exceptional and unpredictable nature, we continue to mention legacies separately. In 2015 we received 3 legacies.

#### *Financial and other revenues*

Of course not every euro that enters is spent the next day. Therefore we regularly invest cash surpluses in entirely risk-free short term tools with a guaranteed interest. Additionally, we ensure that these investments are as ethical as possible.

'Other revenues' includes, among others, registration fees for the fair 'YourChoice', but also income from the book 'Save the Foodture'. Financial and other revenues together stand for a bit less than 1% of our total income.

## **1.2. Integrated results statement (see annex a)**

### **1.2.1. Expenses**

*Services and various goods (61 accounts)*  
These are expenses for operations of both head office and country offices.

#### *Salaries, social charges and pensions (62 accounts)*

Consist of total salary cost of all staff, both of head office in Leuven as expatriates and local staff in the VECO offices.

#### *Depreciations and provisions (63 accounts)*

Under the depreciations header we find the devaluation of investments during the fiscal year. All investments in the country offices are entirely written off during the year of purchase. At head office, investments are depreciated over various years, according to the depreciation periods established by the Board of Directors.

This section also presents a number of provisions for risks and expenses. Most of these provisions are linked to events in our VECO offices.

#### *Other operational expenses (64 accounts)*

In case of VECO offices, deposits to the various partner organisations constitute the main part of this account. For head office, it concerns a number of direct deposits to international networks.

### **1.2.2. Revenues**

#### *Operating revenues (70 and 74 accounts)*

In the integrated results statement all regular income from the organisation is mentioned together and divided in three sections: 'Grants', 'Donations, legacies and membership fees' and 'Other operating revenues'. Most revenues destined for the VECO programmes go through head office. In recent years, however, the tendency is that more and more foundations or government agencies want to transfer the money directly to the regional office, without passing through the head office. Therefore, VECO focuses more and more on local fundraising.

## **2. Balance sheet**

VECO's balance sheet can be found in annex b. The balance sheet consists of four main sections, which we briefly review hereunder one by one. Obviously, this balance sheet contains both head office as regional offices in the South.

### **2.1. Fixed assets**

#### *Material fixed assets*

At head office this section mostly includes the building in Blijde Inkomststraat, where the offices of Vredeseilanden are established. There are also some smaller items, mainly computer equipment. At the regional offices this section is empty, as they rent their office space. Because of the current subsidy rules, local investments are entirely written off in the year of purchase. Which is why they are not to be found in this summary of the balance sheet.

#### *Financial fixed assets*

The main part of this section consists of our shares in Alterfin cvba, a cooperative association for credit granting to micro-financing institutions and fair trade organisations. The dividend we receive every year on this investment is always converted into additional shares.

Apart from that we also find our share in New B cvba here, a cooperative aiming at establishing a new cooperative bank in Belgium, and a number of guarantees for rental contracts, especially in our South countries.

## 2.2. Current assets

### *Inventories*

This section includes inventories of campaign materials at head office. The value of these inventories has slightly decreased compared to last year: more campaign material was sold than new material purchased.

### *Cash and cash equivalents*

The main share of the investments and cash is held in accounts at Triodos Bank. This is in accordance with the decision of the Board of Directors to invest our money as much as possible as ethically as possible. Because we cannot make transfers to our South countries through Triodos Bank, we continue to work with major Belgian banks for daily operations.

There is also cash present at regional offices in the South. These monies are closely monitored by the financial department at head office.

### *Deferred accounts*

This section contains some revenues destined for 2015 which we had not yet received on December 31, 2015.

## 2.3. Equity

The equity of VECO vzw consists of various parts. Every year we check the various sections and make necessary adjustments.

### *Social fund*

It is obvious that we as an organisation must have a social fund which is

sufficiently large to say goodbye to a number of staff members in case of a very serious crisis.

### *Coverage of material fixed assets*

The asset side of our balance sheet contains an important material fixed asset. This fixed asset is in the first place the building in Leuven, of which VECO is full owner. That building is essential for our organisation's operations. If we wouldn't have this fixed asset, it would significantly impair our operations. It is therefore essential to cover this asset with equity.

### *Working capital*

As an organisation we are largely dependent on grants. Often, disbursement of these grants is late. Sometimes, the government disburses with a delay of three months. This is the case for both the DGD programme as for the various BFVZ (Belgian Fund for Food Security) files.

During this period, VECO must be able to continue its activities and pre-finance fixed expenses and salaries. Moreover, during such periods also the activities in the South have to run as normally as possible. The South should not be victim of the fact that governments pay months after date. To cover similar periods, we can address the social fund and have an additional working capital available.

### *Other dedicated funds*

A dedicated fund may be created for other specific situations. At present there is no need to create such specific

fund. We do have the innovation fund as a similar tool. Enterprising farmer organisations who want to operate in so-called 'modern markets' have to respond swiftly and in a flexible way to changes and opportunities. So Vredes-eilanden must also be able to finance certain activities outside the multiple-years programmes just as flexibly. Therefore, the General Assembly in June 2011 decided to redefine the long-standing 'innovation fund' and spend 200,000 euros per year for it. This fund is entirely financed from equity. In 2015 we spent 19.385 euros to innovative projects, this time in Vietnam. Our colleagues launched an online platform to help consumers finding locations where safe and organic vegetables can be purchased.

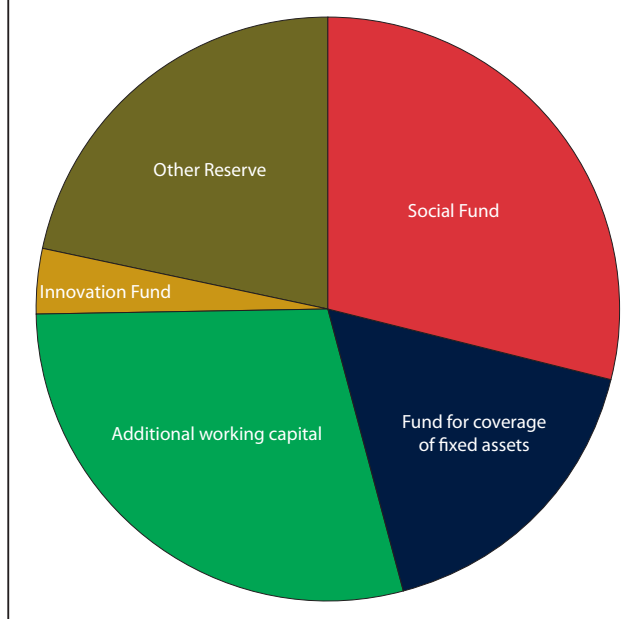
[www.veco-ngo.org/en/news/launching-safe-organic-food-finder-new-video-participatory-guarantee-system-0](http://www.veco-ngo.org/en/news/launching-safe-organic-food-finder-new-video-participatory-guarantee-system-0)

### *Equity without a specific destination*

The difference between current equity, social fund, fund for coverage of tangible fixed assets, innovation fund and working capital is the own equity without a specific destination. It is an 'other reserve', available for the organisation's operation.

Furthermore, some offices have a small amount of equity. This equity results from various local proceeds (no subsidies) which have been accumulated in the past.

The equity now consists of the following (see table on the next page):

**Equity – After result sharing 2015**

Social Fund	1.610.924
Fund for coverage of fixed assets	941.182
Additional working capital	1.596.409
Innovation Fund	200.000
Other Reserve	1.201.067
<b>Total equity</b>	<b>5.549.583</b>

## 2.4. Provisions

In this category we find a number of provisions for social and fiscal disputes and risks at head offices and some countries. After consultation with our auditors we were able to take back some of these provisions. Apart from that, in quite a number of VECO regions there are provisions to comply with local social legislation with respect to end of contract or retirement.

## 2.5. Debts

If we compare the debts with the balance total we see that they are very limited. In debts we find some debts to suppliers and some social debts. Also in the South countries we usually find some debts to suppliers or social debts. VECO does not have running bank credits. The 'other debts' of head office consists mostly in the amount to reimburse to DGD because of subsidies not spent in the expiring three-years programme.

## 2.6. Transitory accounts

Here we find the grants that were not yet spent on December 31, 2015, and were therefore deferred to 2016. In other words, funds already received in 2015 but that will only be spent in 2016, e.g. in the three-years programme of DGD, DGD Synergy, Belgian Fund for Food Security, South Day Campaign, AIP Prisma, Cosude and so on.

## Annex a: Consolidated profit and loss account 2015

### I Operating income

- D1. Subsidies
- D2. Membership fees, donations, bequests
- E. Other company revenues

### II Operating charges

- A. Trade goods, base and auxiliary materials
  - 1. Purchases
  - 2. Increase (-); Decrease (+) of stock
- B. Services and diverse goods
- C. Remunerations, social security costs and pensions
- D. Depreciation of and other amounts written off on information expenses intangible and tangible fixed assets
- F. Increase (+); Decrease (-) in provisions for risks and charges
- G. Other operating charges

### III Operating profit (+)

#### Operating loss (-)

### IV Financial income

- B. Income from current assets
- C. Other financial income

### V Financial charges

- B. Increase (+); Decrease (-) in value of other current assets than those mentioned under II.E.
- C. Other financial charges

### VI Profit on ordinary activities (+)

#### Loss on ordinary activities (-)

### VII Extraordinary income

- A. Extraordinary depreciation and other amounts written off on formation expenses, intangible and tangible assets
- B. Extraordinary amounts written off on financial fixed assets
- C. Extraordinary provisions
- D. Gain on disposal of fixed assets
- E. Other extraordinary costs

### VIII Extraordinary charges

- E. Other extraordinary charges

### IX Profit of the fiscal year (+)

#### Loss of the fiscal year (-)

CTA to be incl. in fin. result (diff. average-closing rate on current year result)

CTA to be incl. in fin. result (diff. average-closing rate on current year result)

CTA to be incl. in fin. result (diff. average-closing rate on current year result)

**Profit (+) / loss (-) of the fiscal year**

	INTEGRATED TOTAL
	2015
Codes	Euro
70/74	13.239.701,90
73	10.954.791,22
73	1.875.180,86
74	409.729,81
60/64	13.391.945,95
60	71.041,65
600/8	62.389,65
609	8.652,00
61	4.068.437,19
62	5.045.220,45
630	270.258,67
635/8	67.520,57
640/8	3.869.467,42
70/64	-152.244,05
64/70	
75	31.797,89
751	18.574,16
752/9	13.223,73
65	15.531,61
651	2.955,34
652/9	12.576,27
70/65	-135.977,76
65/70	
76	4.755,47
760	0,00
761	0,00
762	0,00
763	239,84
764/9	4.515,63
66	13.750,15
664/8	13.750,15
70/66	-144.972,44
66/70	
	163.084,24
	8.555,08
	0,00
	<b>26.666,88</b>

HEAD OFFICE	WEST AFRICA	EAST AFRICA	DR CONGO	ANDES	MESO-AMERICA	VIETNAM	INDONESIA
2015	2015	2015	2015	2015	2015	2015	2015
Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro
11.900.338,76	1.537.916,86	1.495.261,95	1.110.095,13	1.138.603,04	1.214.869,03	291.011,41	1.560.872,28
9.676.113,72	1.537.916,86	1.477.205,30	1.091.447,90	1.136.125,40	1.213.095,81	291.011,41	1.541.141,38
1.875.180,86		0,00					
349.044,18		18.056,65	18.647,23	2.477,63	1.773,22		19.730,89
11.892.398,55	1.528.631,35	1.477.064,17	1.218.056,89	1.152.205,45	1.259.974,58	295.694,20	1.577.187,33
71.041,65							
62.389,65							
8.652,00							
1.759.194,65	329.885,18	520.390,34	339.166,65	288.142,04	194.996,41	90.755,09	545.906,83
2.841.210,62	319.818,24	480.883,12	287.144,00	312.064,38	326.110,44	165.548,33	312.441,32
90.653,97	116.577,55	0,00	1.020,79	13.211,32	41.168,69		7.626,35
-3.840,96		0,00		6.356,51	20.406,84	6.422,10	38.176,08
7.134.138,62	762.350,38	475.790,71	590.725,45	532.431,20	677.292,20	32.968,68	673.036,75
7.940,21	0,00	0,00		-13.602,41	-45.105,55	-4.682,79	-16.315,05
	9.285,51	18.197,78	-107.961,76				
19.233,13	0,00	0,00	0,00	1.048,14	1.581,84	5.755,02	4.179,76
18.574,16		0,00					
658,97		0,00		1.048,14	1.581,84	5.755,02	4.179,76
9.061,38	0,00	0,00	0,00	4.480,67	858,36	1.131,20	0,00
2.955,34							
6.106,04		0,00		4.480,67	585,36	1.131,20	
18.111,96				-17.034,93	-44.382,07		-12.135,29
	9.285,51	18.197,78	-107.961,76			-58,97	
0,00	4.464,63	0,00	0,00	0,00	231,87	58,97	0,00
		0,00					
		0,00					
		0,00					
		0,00			231,87	7,97	
	4.464,63	0,00				51,00	
	13.750,15			0,00			
	13.750,15	0,00					
18.111,96	0,00			-17.034,93	-44.150,20	0,00	-12.135,29
	0,00	18.197,78	-107.961,76				
		-18.197,77	107.961,59	17.034,93	44.150,20		12.135,28
		354,47	734,89	1.141,21	6.204,81		119,69
		0,00					
<b>18.111,96</b>	<b>0,00</b>	<b>354,48</b>	<b>734,73</b>	<b>1.141,21</b>	<b>6.204,81</b>	<b>0,00</b>	<b>119,69</b>

## Annex b: The balance as of 31/12/2015

### ASSETS

#### FIXED ASSETS

- I Preliminary initial expenses**
- II Intangible fixed assets**
- III Tangible fixed assets**
  - A. Land and buildings
    - 1. In full property
    - 2. Other
  - B. Plant, machinery and equipment
    - 1. In full property
    - 2. Other
  - C. Furniture and vehicles
    - 1. In full property
    - 2. Other
  - D. Leasing and similar rights
  - E. Other tangible fixed assets
    - 1. In full property
    - 2. Other
  - F. Assets under construction and advance payments
- IV Financial fixed assets**
  - A. Linked companies
    - 1. Participation
    - 2. Progress
  - B. Companies with a participation relationship
    - 1. Participation
    - 2. Progress
  - C. Other financial fixed assets
    - 1. Shares
    - 2. Receivables and guarantees in cash

#### CURRENT ASSETS

- V Amounts receivable after more than one year**
  - A. Receivables
  - B. Other amounts receivable
- VI Stocks and contracts in progress**
  - A. Stocks
    - 1. Raw and auxiliary materials
    - 2. Manufacturing goods
    - 3. Finished products
    - 4. Goods purchased for resale
    - 5. Real estate meant for sale
    - 6. Advance payments
  - B. Orders in execution
- VII Amounts receivable within one year**
  - A. Receivables
  - B. Other amounts receivable
- VIII Investments**
- IX Cash at bank and in hand**
- X Deferred charges and accrued income**

#### TOTAL ASSETS

	INTEGRATED TOTAL
	2015
Codes	Euro
20/28	882.144,92
20	
21	
22/27	817.821,65
22	785.699,74
22/91	785.699,74
22/92	
23	20.737,91
231	20.737,91
232	
24	11.384,00
241	11.384,00
242	
25	
26	
261	
262	
27	
28	64.323,27
280/1	
280	
281	
282/3	
282	
283	
284/8	64.323,27
284	54.958,82
285/8	9.364,45
29/58	9.046.365,11
29	531,80
290	
291	531,80
30	130.592,00
30/36	130.592,00
30/31	
32	
33	
34	130.592,00
35	
36	
37	
40/41	404.502,06
40	
41	404.502,06
50/53	5.987.994,04
54/58	2.100.439,93
490/1	422.305,28
20/58	9.928.510,03



HEAD OFFICE	WEST AFRICA	EAST AFRICA	DR CONGO	ANDES	MESO-AMERICA	VIETNAM	INDONESIA
2015	2015	2015	2015	2015	2015	2015	2015
Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro
875.215,19	5.507,98	0,00	0,00	0,00	1.421,75	0,00	0,00
817.821,65	0,00	0,00	0,00	0,00	0,00	0,00	0,00
785.699,74	0,00	0,00	0,00	0,00	0,00	0,00	0,00
785.699,74		0,00					
20.737,91	0,00	0,00	0,00	0,00	0,00	0,00	0,00
20.737,91		0,00					
11.384,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
11.384,00		0,00					
57.393,54	5.507,98	0,00	0,00	0,00	1.421,75	0,00	0,00
57.393,54	5.507,98	0,00	0,00	0,00	1.421,75	0,00	0,00
54.958,82		0,00					
2.434,72	5.507,98	0,00			1.421,75		
7.190.541,01	240.723,61	301.327,14	165.702,44	160.426,00	656.593,22	82.110,11	248.941,57
200,00	0,00	0,00	0,00	0,00	0,00	0,00	331,80
200,00		0,00					331,80
130.592,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
130.592,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
130.592,00		0,00					
89.537,95	23.760,53	7.303,42	99.040,58	16.010,68	85.022,16	17.550,45	66.276,29
89.537,95	23.760,53	7.303,42	99.040,58	16.010,68	85.022,16	17.550,45	66.276,29
5.960.559,00		0,00		27.435,04			
760.086,84	210.877,69	289.486,45	58.328,99	116.980,28	435.666,45	64.292,62	164.720,62
249.565,22	6.085,39	4.537,27	8.332,88	0,00	135.904,62	267,04	17.612,86
<b>8.065.756,20</b>	<b>246.231,59</b>	<b>301.327,14</b>	<b>165.702,44</b>	<b>160.426,00</b>	<b>658.014,97</b>	<b>82.110,11</b>	<b>248.941,57</b>

## Annex b: The balance as of 31/12/2015

### LIABILITIES

#### EQUITY

##### I Funds

A. Starting funds

##### IV Reserves

##### V Profit carried forward (+) / loss carried forward (-)

Result of the fiscal year head office

#### PROVISIONS

##### VII A. Provisions for liabilities and charges

1. Pensions and similar obligations

4. Other risks and charges

##### B. Provisions for recoverable donations and bequests

#### CREDITORS

##### VIII Amounts payable after more than one year

A. Financial debtors

5. Other debts

B. Trade debtors

##### IX Amounts payable within one year

C. Trade debtors

1. Suppliers

E. Taxes, remuneration and social security

1. Taxes

2. Remuneration and social security

F. Other amounts payable

##### X Accrued charges and deferred income

#### TOTAL OF LIABILITIES

	INTEGRATED TOTAL
	2015
Codes	Euro
10/15	5.549.583,05
10	
100	0,00
13	4.394.348,09
140	1.128.568,08
	26.666,88
16	641.116,08
160/5	641.116,08
160	263.654,02
163/5	377.462,06
168	0,00
17/49	3.737.810,90
17	0,00
170/4	0,00
174	0,00
175	
42/48	1.463.922,33
44	369.513,83
440/4	369.513,83
45	340.840,23
450/3	20.659,40
454/9	320.180,82
48	753.568,27
492/3	2.273.888,56
10/49	9.928.510,03

HEAD OFFICE	WEST AFRICA	EAST AFRICA	DR CONGO	ANDES	MESO-AMERICA	VIETNAM	INDONESIA
2015	2015	2015	2015	2015	2015	2015	2015
Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro
5.418.910,50	1.804,53	-3.000,71	7.263,70	11.282,90	61.336,62	1.429,31	50.556,20
0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
		0,00					
4.348.515,25		20.095,40		12.069,78	13.667,66		
1.052.283,29	1.804,53	-23.450,59	6.528,97	-1.928,09	41.464,15	1.429,31	50.436,51
18.111,96	0,00	354,48	734,73	1.141,21	6.204,81	0,00	119,69
379.707,81	1.831,94	0,00	0,00	29.354,56	73.819,90	53.292,71	103.109,16
379.707,81	1.831,94	0,00	0,00	29.354,56	73.819,90	53.292,71	103.109,16
4.077,69		0,00		29.354,56	73.819,90	53.292,71	103.109,16
375.630,12	1.831,94	0,00					
		0,00					
2.267.137,89	242.595,12	304.327,86	158.438,74	119.788,54	522.858,45	27.388,09	95.276,21
0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
		0,00					
1.296.978,41	50.726,48	16.481,25	12.130,29	36.475,24	32.883,11	7.395,23	10.852,31
299.191,58	17.994,28	16.481,25	0,00	803,17	19.006,57	5.184,66	10.852,31
299.191,58	17.994,28	16.481,25		803,17	19.006,57	5.184,66	10.852,31
291.639,85	13.340,49	0,00	7.560,92	12.211,86	13.876,54	2.210,57	0,00
	5.583,95	0,00	2.246,12	3.048,12	7.570,64	2.210,57	
291.639,85	7.756,54	0,00	5.314,80	9.163,73	6.305,90		
706.146,98	19.391,71	0,00	4.569,37	23.460,21			
970.159,48	191.868,64	287.846,60	146.308,45	83.313,29	489.975,34	19.992,86	84.423,89
<b>8.065.756,20</b>	<b>246.231,59</b>	<b>301.327,15</b>	<b>165.702,44</b>	<b>160.426,00</b>	<b>658.014,97</b>	<b>82.110,11</b>	<b>248.941,57</b>

## Annex c: Statutory auditor's report

*The document below is only for information purposes, and it is not a legal translation of the original in Dutch. The original report of the Statutory Auditors can be asked for via [info@vredeseilanden.be](mailto:info@vredeseilanden.be).*

KPMG Company Auditors Burg CVBA  
Bourgetlaan 40  
1130 Brussels

Clybouw Company Auditors Burg CVBA  
Oosterveldlaan 246  
2610 Wilrijk (Antwerp)

### **REPORT OF THE COLLEGE OF AUDITORS TO THE MEMBERSHIP MEETING OF THE VREDESEILANDEN NON-PROFIT ASSOCIATION REGARDING THE FINANCIAL YEAR CONCLUDED ON 31ST DECEMBER 2015**

In accordance with the legal and statutory provisions, we submit this report to you as per our mandate as inspectors. This document includes our reports on the annual accounts for the financial year concluded on 31st December 2015, as defined below, as well as our report on further requirements stipulated by the law and regulations.

#### **Declaration pertaining to the annual accounts – Unqualified opinion**

We performed an inspection of the annual accounts of the Vredeseilanden non-profit association (hereafter “the Association”) for the financial year concluded on 31st December 2015, drawn up in accordance with the accountancy system model applicable in Belgium (Royal Decree of 19th December 2003). These annual accounts state the balance as of 31st December 2015, the profit and loss account for the financial year concluded on that date, and explanations. The total balance amounts to €9,928,510 and the profit and loss account will end this financial year with a positive result of €26,666.

#### *Management body responsibility for compiling the annual accounts*

The management body is responsible for drawing up the annual accounts providing a faithful overview in accordance with the accountancy system model applicable in Belgium, as well as managing internal structures in such a way as to allow the management body to draw up the annual accounts without leaving out any elements of material importance as a result of fraud or error.

Audit activities involve the collection and checking of information about the amounts and explanations recorded in the annual accounts. The auditor may decide which activities are necessary, after assessing the risks of a deviation from elements of material importance in case of fraud or error. When compiling the risk assessment, the auditor considers the internal management structure of the Association as this is relevant to the Association's work in compiling the annual accounts to provide a faithful overview, in order to implement checking activities which are suitable for the circumstances but which do not aim to pronounce judgement on the effectiveness of the internal management structure of the Association. The audit also evaluates the suitability of the assessment rules employed, and the reasonability of the estimates made by the management body, as well as evaluating the presentation of the annual accounts as a whole.

The representatives and management body of the Association have provided us with the clarifications and explanations necessary for us to execute our audit.

We consider the audit information which we received a sufficient and suitable basis for pronouncing an unqualified opinion.

#### *Unqualified opinion*

We consider the annual accounts to provide a faithful overview of the capacity and financial situation of the Association on 31st December 2015, also reflected in its results for the financial year ending on this date, in accordance with the accountancy system model applicable in Belgium.

KPMG Company Auditors Burg CVBA  
Bourgetlaan 40  
1130 Brussels

Clybouw Company Auditors Burg CVBA  
Oosterveldlaan 246  
2610 Wilrijk (Antwerp)

**REPORT OF THE COLLEGE OF AUDITORS  
TO THE MEMBERSHIP MEETING OF THE VREDESEILANDEN  
NON-PROFIT ASSOCIATION REGARDING THE FINANCIAL YEAR  
CONCLUDED ON 31ST DECEMBER 2015**

*Emphasis of certain interests*

Without deviating from the opinion expressed above, we would like to draw attention to the explanation entitled VOL 7 attached to the annual accounts, which details the subsidies recorded, calculated on the basis of the subsidies regulation. Confirmation is still required as to the eligibility for funding of the subsidised costs, following checks performed by the subsidising authorities.

**Report on further requirements stipulated by the law and regulations**

The management body is responsible for observing the legal and administrative rules applicable to accountancy tasks, as well as the Law of 27 June 1921 pertaining to non-profit organisations, international non-profit organisations and foundations, and the statutes of the Association.

As per our mandate and in accordance with the Belgian standard supplementary to the international auditing standards applicable in Belgium, we are responsible, in all aspects of material importance, to investigate the observance of certain legal and administrative rules. On these grounds, we would like to make the following additional declarations which do not modify the nature of our opinion on the annual accounts:

- Notwithstanding formal aspects of minor importance, the accountancy tasks have been executed in accordance with the legal and administrative rules applicable in Belgium.
- No transactions or decisions have been found or must be declared which are in violation of the statutes or the Law of 27 June 1921 pertaining to non-profit organisations, international non-profit organisations and foundations.

*Further interests*

Although the management body has already produced an annual report, we shall not pronounce an opinion on this report, as this is not part of the legal mandate for auditors of associations and foundations.

Brussels, 3rd June 2016

The college of auditors

KPMG Company Auditors Burg CVBA  
represented by

Harry Van Donink  
Company auditor

Clybouw Company Auditors Burg CVBA  
represented by

André Clybouw  
Company auditor

## Annex d: List of donors\*

Donor	Amount
Belgian Federal Government – DGD South Programme	5.376.214,26
Belgian Federal Government – DGD North Programme	1.599.108,94
Belgian Federal Government – DGD Synergy budget line	404.939,00
EU Projects	319.947,72
11.11.11	291.846,08
Belgian Fund for Food Security	253.970,00
CFC	242.911,60
Cordaid	222.991,00
Wage subsidies	211.665,81
South Day Foundation	186.105,00
Province of West Flanders	85.652,00
Leysen	75.000,00
King Baudouin Foundation	70.000,00
Cities and towns	61.546,21
IDH	56.182,00
SNV	42.167,79
Bill & Melinda Gates Foundation	36.650,67
Vais	33.530,18
Province of Flemish Brabant	32.614,65
Misereor	32.000,00
Entrepreneurs for Entrepreneurs	28.525,50
DGD Global Context Analysis	27.110,06
Federal Service for Sustainable Development (PODDO)	25.109,20
Special Fruit	20.000,00
Kris Kras	16.870,00
Talita Koum	16.000,00
Colruyt Group	15.000,00
Bos+	6.909,00
Province of Antwerp	6.800,00
Fevia vzw	6.261,00
SOS Faim	6.000,00
Province of Limburg	4.800,00
Gillès Foundation	2.006,17
NBV – Network Sustainable Consumption	715,46

\* These lists contain all amounts we received on our accounts in the course of 2015. So the total is not the same as the totals in the results statement, as some grants are destined for a next or previous fiscal year.



**Annex e: List of municipalities\***

<b>Municipality</b>	<b>Amount</b>
Aalst	2.226,01
Antwerp	4.500,00
Bonheiden	9.750,00
Boom	750,00
De Pinte	536,22
Diest	4.093,00
Geel	4.750,00
Genk	1.907,60
Grimbergen	6.366,00
Grobbendonk	1.400,00
Ieper	250,00
Laakdal	1.000,00
Lanaken	604,95
Maasmechelen	3.482,00
Malle	2.000,00
Mol	4.195,00
Oud-Heverlee	1.592,00
Rotselaar	2.200,00
Schelle	110,82
Schilde	5.000,00
Tessenderlo	1.250,00
Tienen	384,61
Vorselaar	1.100,00
Wichelen	345,00
Zeel	1.060,00
Zottegem	1.000,00
Zuilenkerke	50,00

\* These lists contain all amounts we received on our accounts in the course of 2015. So the total is not the same as the totals in the results statement, as some grants are destined for a next or previous fiscal year.

## Annex f: In-kind donations

We are happy with the support of the following organisations and companies:

- For years already, **Boma Cleaning Services** provides our head office with cleaning products.
- Law firm **Eubelius** provides legal advice in our court case against Mr. Debels and in a number of specific issues.

## Annex g: Local revenues from VECO offices

VECO Region	Donor	Amount
VECO Andino	HIVOS	44.925,10
	POF	50.928,40
VECO RD Congo	WWF	69.401,00
	Own contribution of rice cooperatives	17.631,77
VECO Indonesia	Toraja Rural Development Society	28.086,88
	The Australia Indonesia Partnership for Promoting Rural Income through Support for Markets in Agriculture	145.137,94
	Millennium Challenge Account-Indonesia	20.812,67
	Food and Agriculture Organisation	3.963,62
	The Facility for Sustainable Entrepreneurship and Food Security	6.148,63
	WCF	121,30
VECO Mesoamérica	Fundacion Progreso	74.593,94
	(SCC) We Effect	38.341,48
	KENOLI	18.475,24
	HEIFER Nicaragua	71.044,33
	HEIFER Honduras	19.888,70
	Food and Agriculture Organisation	3.682,06
VECO West Africa	Oxfam UK	8.246,85
VECO Vietnam	SNV	13.704,28
	Both ENDS	18.200,19
	Rainforest Alliance	62.682,64

GRI-indicators – G4 – “core” option			
General Standard Disclosures			
	Description	Page	Observations
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G4.3	Organisation name	colophon	
G4.4	Main activities and services	9-10	
G4.5	Location of head office	colophon	
G4.6	Number and name of countries where the organisation is active	15	
G4.7	Nature of ownership and legal form	31-34	
G4.8	Beneficiaries and stakeholders	11-13	
G4.9	Scale of the organisation	15, 40, 64-65	
G4.10	Number of employees by gender and region, including volunteers	40-43	
G4.11	Percentage of total employees covered by collective bargaining agreements	43	
G4.13	Significant changes in structure	32, 35	
G4.15	Externally developed sustainability charters, principles or initiatives that have been signed or endorsed by the organisation	33	
G4.16	Membership of coalitions, associations and functions in management bodies, including national or international advocacy organizations	12-13	
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G4.17	List of all entities in the consolidated financial report	64-65	
G4.18	Process for defining the report content and the Aspect Boundaries	5	
G4.19	List all the material Aspects identified in the process for defining report content	5	
G4.20	Aspect boundary per material Aspect within the organisation	5	
G4.21	Aspect boundary per material Aspect outside the organisation	5	
G4.22	Effect of any restatements of information provided in previous reports	/	
G4.23	Important changes of scope and boundaries compared to previous reporting periods	/	
Stakeholder engagement			
G4.24	List of stakeholder groups engaged by the organisation	11-13	
G4.25	Basis for identification and selection of stakeholders	11	
G4.26	Approach of stakeholder engagement, including frequency of consultation by type and stakeholder group	11-13, 20	
G4.27	Key topics and concerns that have been raised through stakeholder engagement and organisation's response	/	
Report parameters			
G4.28	Reporting period	3	
G4.29	Date of previous report	3	
G4.30	Reporting cycle	3	
G4.31	Contact for questions on the report	colophon	
G4.32	'in accordance' option the organisation has chosen	4	
G4.33	Policy on seeking external assurance for the report	4	

	Description	Page	Observations
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G4.36	Sustainability officer at highest level?	32	
G4.37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	31-32	
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G4.40	Nomination and selection processes for the highest governance body and its committees	31	
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G4.42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's sustainability statements	32	
G4.51	Report the remuneration policies for the highest governance body and senior executives	32	
G4.52	Process for determining remuneration	43	
G4.55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation	43	
<b>Ethics and integrity</b>			
G4.56	Code of conduct and Code of ethics	55	
G4.58	Mechanisms for seeking advice on ethical and lawful behavior	36	
<b>Specific Standard Disclosures</b>			
<b>Material aspects</b>	<b>Indicators</b>	<b>Page</b>	<b>Observations</b>
<b>Economic performance</b>			
EC1	Allocation of resources: annual financial report, control mechanisms, costs/income fundraising	55, 59	
EC6	Senior management hired from local community		Reporting in annual report 2016
NG08	Ethical fundraising – Funds per category, and the five largest donors and financial value of their contribution, policy on accepting gifts	72, 53	
<b>Environment – Energy</b>			
EN3	Energy consumption	45-51	
<b>Environment – Water</b>			
EN10	Water reuse	45-51	
<b>Environment – Services</b>			
EN12	Contribution to biodiversity		Reporting in annual report 2016
EN27	Contribution to mitigation		Reporting in annual report 2016
<b>Social – Work</b>			
LA9	Average number of training hours by year, by employee and by employee category	38	
LA13	Ratio of the basic salary and remuneration of women to men for each employee category	41, 43	

Material aspects	Indicators	Page	Observations
<b>Social – Human Rights</b>			
HR3	Number of incidents of discrimination and corrective actions taken	40	
<b>Social – Society</b>			
S03	Total number and percentage of operations assessed for risks related to corruption	36	
S04	Communication and training on anti-corruption policy	55	
<b>Social – Responsibility</b>			
NG010	Application of specific standards on fundraising	54	
Stakeholder engagement	Processes to involve stakeholders in development, implementation, audit and evaluation of policy and programmes	20	
Planning, Learning and Accountability	System for programme monitoring, evaluation and learning, introducing modifications in the programme and communicating these modifications	20	
Gender and diversity	Measures to integrate gender and diversity in the development, implementation, monitoring and evaluation of programmes and the learning cycle	20	
<b>Privacy</b>			
PR8	Total number of substantiated complaints received concerning breaches of customer privacy	54	



Vredeseilanden is a Belgian NGO that enables and supports smallholder farmers to take up their role in rural poverty alleviation and to contribute to feeding a growing world population in a sustainable way. We support our partner organisations through 8 Vredeseilanden Country Offices (VECOs). That is why, outside Belgium, the organisation is mainly known as VECO. In this annual report, we use both.



## COLOPHON

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Vredeseilanden is an independent and pluralistic non-governmental organisation that is not relied on by any political party. We are a member of 11.11.11, the coordinating body of the Flemish North-South movement and the Flemish NGO-federation.



Vredeseilanden follows the EFQM quality system and obtained the 'Committed to Excellent' label, presented by BBEST.



You are entitled to be informed. This means that donors, staff and personnel members will be kept up to date about what happens with the VECO funds at least once a year. This annual report responds to it.





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