



# Annual Community Development Report Celebes & FairTSA 2014-2023

*Small farmers and workers are at the heart of FairTSA Fair Trade certification. Through community development projects and capacity building we are facilitating a direct impact on the agricultural communities that grow and process our food.*

## Celebes Coconut Corporation

Celebes Coconut Corporation is a FairTSA Fair Trade certified producer of coconut and banana products. Located in Butuan City in the North of the Philippines' southernmost island, Mindanao, Celebes sources their coconuts from many small farmers of the surrounding villages and towns who grow their crop mainly in an agroforestry setting. Since 2012, FairTSA has been collaborating with these farmers on yearly infrastructure projects that aim to provide long-term benefit to their communities.



Pictured left, Celebes farmers have a meeting to discuss the annual Community Development Project, using communal decision-making processes to decide how to best leverage Social Premium funding. These meetings help ensure that the Social Premium is used according to the needs of the community. Once a proposal is chosen, FairTSA assesses it for feasibility and

documents project progression, working in tandem with a network of authorized inspectors and certifiers.

## 2014: Training and Seminars

2014 saw seminars and trainings for farmers focused on the understanding of organic standards, farm management practices, community development services and FairTSA standards. It was also during this time that the plan to distribute approximately 100 small solar panels among farmer families without access to electricity was developed.

## 2014-2017: FSUU Scholarship

The FairTSA scholarship fund was created for six worthy students to be awarded full scholarships for their education at Father Saturnino Urios University (FSUU) in Butuan City. FSUU requires from students a strong commitment to their communities and the completion of a community project before graduation. All six students successfully graduated in May 2017.



## 2014-2105: Solar Panel Project



For many remotely located villagers working with Celebes, cell phone communication is the only way to coordinate for the collection of their coconuts — an often complicated process involving pf large trucks maneuvering across extreme terrain.

Despite this necessity, many villagers lack access to electricity and must travel up to an hour to charge their devices (which are thus only charged for one or two days a week). Therefore, community members decided to install solar panels in villager homes to provide basic lighting and allow for the charging of phones.



Now with fully charged mobile devices, villagers can efficiently coordinate coconut pickups without having to wait sometimes for days on end, to see whether the shipping trucks arrive. With this new energy source, villagers can now opt to have the coconut drying process at night which is more efficient and allows for greater flexibility with their schedule.

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## 2015: Maya-os Deep Well Project

Maya-os is a coconut and banana producing village located in the north of Mindanao, Philippines. Previously their water system consisted of a 1 inch rubber tube that fed to smaller lines leading to individual households. On good days, this system worked decently for families close to the beginning of the line, but on bad ones it proved incapable of providing water to the community. On community meeting attended by Dr. Winfried Fuchshofen in April 2015, it was decided that a new well was to be dug as part of that years' FairTSA Community Development project. A location was decided on, and the well was completed in September of that year.



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## 2016-2017: Schooling

For 2016, the continuation of two scholarships, and the distribution of school supplies and uniforms was planned. Due to logistical problems, the distribution of the supplies did not happen in 2016 but was postponed for 2017 and was completed in July of that year. Producers also requested emergency funding to deal with a rodent infestation of their coconut. The solution — attaching metal strips to the bottom of the trees to make them insurmountable to mice — was simple and, although this request came after the project

was submitted, funding was still made available promptly so as to protect thousands of coconut trees.

## 2018: Falcata & Banana Distribution Project

To develop supplementary income sources and create lasting economic sustainability, producers distributed banana suckers and falcata seedlings to almost 600 participants in Misamis Oriental, Agusan del Norte, and Agusan del Sur. Each farmer was given around 50 suckers as space allowed. The falcata seedlings distributed improve soil fertility due to nitrogen fixation from the air via soil bacteria. Falcata produces wood usable for building projects, harvestable in as little as 7 years.

Working in tandem with the banana seedlings — which provide food security and an additional income source — the growth of Falcata will substantially bolster the financial security of the small holding farmers. Over the course of the project, 52,168 suckers were planted, with producers being paid labor costs per planted sucker.

Type of Cutting	No. of Farmers	Estimated Cost (Financed by Social Premium)	In-house Contribution Celebes (est.)	Monetary Value for Farmers over 7 Years
<b>Falcata</b>	<b>600</b>	<b>US-\$20,000</b>	<b>US-\$7,500</b>	<b>320,000</b>
<b>Banana</b>	<b>600</b>	<b>US-\$15,000</b>	<b>US-\$7,500</b>	<b>95,000</b>
<b>Cacao</b>	<b>200 (est.)</b>	<b>US-\$ 6,000</b>	<b>US-\$4,000</b>	<b>30,000</b>

The distribution of the seedlings is projected to result in annual \$600 in added income over 7 years and adds about one month of additional income per year for the farmers. The project also creates a diversified income stream, increases food security and on top they will profit from the fertilizer effect of the falcatas. In addition, small farmers are trained to create their own cuttings from the grown trees, thereby extending the impact of the project for a considerably longer time frame.

## 2019: First Solar Street Light Project

In discussions for this year's project, it was mentioned how effective the 2014 solar light project was, so for 2019 CELEBES increased the lighting project to cover more municipalities of the community. By and large, the neighborhoods in the area are limited in their activities to daylight hours. Bringing renewable solar electricity to charge devices and provide light during nightfall is a value tool in



fostering community safety and communication. There was also another deep well project completed to better serve one of the communities with providing a clean water source.

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## 2020: Coronavirus Relief

In 2020, Celebes proposed to drill wells for 10 villages in order to give them access to clean drinking water. The villages in Barangay Jagupit, Magsaysay, Sto.Niño, Anomar, Victory, Colorado, Basag, Doña Rosario, Bangonay, Cabcabon were selected as the best sites to affect the most families. The drilling was to be done by a contractor, taking about two months. However, as covid-19 arrived Celebes acted to redirect the project to immediate aid for the situation for the affected small farmers and workers. It was decided to distribute rice for several thousand people and protective masks to the farmer and worker families instead of the well drilling. The population of Mindanao is especially hard hit by the virus: the Philippines closed their ports for several months, resulting in substantial loss of income for the farmers, and in many cases loss of work for the food workers.



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## 2021: Solar Street Lighting

In view of the current pandemic, the Celebes fair trade committee were not able to conduct an assembly due to the restriction of large gatherings. Alternatively, the Fair Trade Staff have coordinated with the village officials in 32 villages in Agusan del Norte and Agusan del Sur instead to determine community development-related priority projects in 2021. It was brought up how well received the previous street lighting project in 2019 went, with lots of good



feedback from the community. It was decided to continue the solar lighting project to include more villages. In addition to being self-sustaining, solar lighting provides illumination and safety to all the community. It also enables the hours of operation to be extended beyond the daylight, which is pretty much 12 hours per day close the equator. time. The lights while providing safety also promote commercial, academic, and community activity in the establishments of these remote villages.

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## 2022: Distribution of Coconut Seedlings

In 2021 Typhoon Odette damaged a large swath of Agusan del Norte Province. Mindanao. The typhoon destroyed thousands of coconut trees of the small farmers, thereby severely impacting their livelihood. In a brief need assessment it was determined that coconut seedlings was highest on the list. Therefore, it was determined that 50,000 coconut seedlings should be distributed, fifty each to thousand farmers. Once mature, this would result in a additional income of PHP 92,250 per farmer. Even at a survival rate of 80% the additional income would amount to PHP 73,800, a considerable sum for the smallholders.

The project was successfully completed in the fall of 2022. The picture on the right shows a farmer couple planting their seedlings (picture is from the Annual FairTSA Evaluation Report 2023).



## 2023: Solar Lighting for Seven Villages in Misamis Oriental

The need assessment for 2023 resulted in the determination that seven villages (barangays) with a total of about 24,000 inhabitants wanted to be included in the solar street lighting campaign that has been so successfully started in 2019.

According to the project proposal, the project aims to achieve the following goals:

- ✓ To provide illumination and safety not only to the farmer-members but also to all residents in the seven (7) villages in Misamis Oriental.
- ✓ To increase productivity of farmers because the working hours especially for the farmers may lengthen or extended during daytime or even up to late afternoon.
- ✓ The project aims to extend the number of hours on commercial activity of fewer establishments in the remote villages thereby increasing economic stability of rural communities.
- ✓ Students will be safe at night, which creates opportunities for further educational activities.
- ✓ Crime is also bound to decrease because of the lighting.

The table below shows the beneficiaries of the project:

VILLAGE/BARANGAY	NO. OF POPULATION
Minsapinit, Gingoog City, Misamis Oriental	1,422
San Luis, Gingoog City, Misamis Oriental	7,002
Pahindong, Gingoog City, Misamis Oriental	1,400
Agay-ayan, Gingoog City, Misamis Oriental	3,200
Consuelo, Magsaysay, Misamis Oriental	5,089
Kibungsod, Magsaysay, Misamis Oriental	4,092
Tibon-tibon, Magsaysay, Misamis Oriental	1,980

## 2023: Mobile Medical Clinic and Free Medications

In addition, a need assessment survey was conducted in 2023 in the province of Misamis oriental. The results show that 65% of the surveyed farmers are in the age group of 51–65, 23% are in the age group of 36–50, 13% are in the age group of 66–80, and 5% are in the age group of 20–35. Additionally, 36% of the surveyed farmers have farming experience of 16–30 years, 29% have 31–45 years, 18% have 46–60 years, and 18% have at least 15 years of experience. The results also indicate that 17% of the surveyed farmers experience common health problems, such as cardiovascular and respiratory diseases, arthritis, skin cancer, hearing loss, diabetes, poor eyesight, and others. Aging and long farming experience are contributing factors to these health problems. If left unchecked,

these issues will continue to challenge the lives of the farmers and could further affect and diminish their productivity.

As a result, it was decided to create a mobile medical clinic that would provide preventive care, simple healthcare, and free medication for 403 farming families and their neighbors in Misamis Oriental. The proposal calls for finding suited medical professionals and an affordable source of medications to provide free healthcare.

These projects are only possible because of the incredible commitment by Celebes Coconut's management, the staff involved in working with the rural communities and the collaboration and enthusiasm of the rural communities itself – everybody pitches in to achieve a common goal: to become better, healthier, more sustainable, equitable and resilient communities. It is a prime example of how the FairTSA Social Premium is multiplied by the efforts of all involved – a seed that grows beautiful fruits. Here the words of Mr. Rory Ong Yui, CEO of Celebes Coconut:

“One of the most striking features of FairTSA that we really like is its unwavering commitment to affordability and flexibility in the sense that it enables simultaneous or combined certification for Organic and FairTSA standards to its licensees... The (Community Development Project) initiative goes beyond providing financial support; it actively empowers producers by promoting inclusive decision-making: investing in education, addressing lack of water and power supply, and restorative efforts after disasters and global pandemic. Witnessing the transformative impact of Fair Trade on these communities is truly inspiring. It is fulfilling to see individuals and families flourish and elevate their current conditions. Fair Trade not only fosters economic growth but also nurtures a sense of pride and unity within these communities.”

*Rory Ong Yiu, President, Celebes Coconut Corporation*