



# Business Report 2021

# Fair Trade means justice for all!



**Matthias Kroth and Dr. Peter Schaumberger**  
Managing Directors  
GEPA –  
The Fair Trade Company

*Dear Customers,  
dear supporters of Fair Trade,*

**Even in 2021, the second year of the coronavirus pandemic, as Fair Trade pioneers, we once again defied the impacts of the pandemic and managed to improve turnover and our annual result compared to the previous year.**

Last autumn, as part of 'CLIMATE JUSTICE – LET'S DO IT FAIR', our European campaign for climate justice, an additional **#Choco4Change** was introduced. This vegan version, which is free from processed sugar and relies only on the sweetness of dates, helps **mitigate the negative impacts of climate change**: Because climate change has rendered the dates it grows and harvests drier, Beni Ghreb (Tunisia) can process them into date flour. Another highlight was implementation of the **higher Cocoa Plus price** by GEPA. In times of high inflation due to the war in Europe this step is more important than ever before for our partner cooperatives.

Thanks to joint efforts that span all levels, we were able to continue to **pay good, fair prices to our trading partners**.

The framework conditions for Fair Trade have been quite difficult for several years now: Some world shops and conference venues had to close their doors, and the uncertainties that lie ahead have made consumers more frugal. Conditions in the current financial year are difficult to predict. The precise medium-term implications of the war in Ukraine and the inflation-driven changes in consumer behaviour remain to be seen. **The solid annual result that we can report again in 2021 will certainly help us navigate the major challenges we face.**

In spite of these adversities, another milestone was reached during the current financial year: **From the port in Germany to the shelf, GEPA is certified climate-neutral!**

**Fair is more than not being unfair.** 'Fair' means acting together fairly and socially, all the way to the shelf.

So on behalf of our partners in the South as well, we would like to thank you for the great confidence you place in us!

## Dealing with the impact of the climate crisis

*'We can create jobs and keep young people from emigrating.'*

Sadok Saidi, founder and CEO  
of Beni Ghreb in Tunisia



### What do ground dates have to do with climate justice?

Sadok Saidi explains: 'Because of climate change, our dates are smaller than before, and we have more difficulty selling them.' That is why Beni Ghreb processes them into sweet date flour, for use in products such as #Choco4Change Vegan. 20 cents per bar of chocolate were reinvested in a further expansion of date processing.

[gepa.de/choco4change](https://gepa.de/choco4change)

# Profit- and loss statement 2021



	Business year	Business year		
	2021	2020	Change	Change
	in k €	in k €	in k €	in %
Revenue sales of goods	84,911	81,128	3,783	4.66
Cost of goods	- 60,730	- 58,252	- 2,478	4.25
Gross margin	28.48%	28.20%		1.00
Gross revenues	24,181	22,876	1,305	5.70
Other revenues and operating income	1,188	864	324	37.50
Revenue deduction	- 4,953	- 4,553	- 400	8.79
<b>Revenue</b>	<b>20,416</b>	<b>19,187</b>	<b>1,229</b>	<b>6.41</b>
Personnel costs	- 8,823	- 7,802	- 1,021	13.09
Facility expenses	- 721	- 765	44	- 5.75
Administration costs	- 1,804	- 1,702	- 102	5.99
Distribution costs	- 4,830	- 4,600	- 230	5.00
Depreciation	- 1,113	- 988	- 125	12.65
Other costs	- 903	- 1,172	269	- 22.95
Interest results	- 334	- 229	- 105	45.85
<b>Total expenditures</b>	<b>- 18,528</b>	<b>- 17,258</b>	<b>- 1,270</b>	<b>7.36</b>
<b>Earnings before taxes &amp; valuation</b>	<b>1,888</b>	<b>1,929</b>	<b>- 41</b>	<b>- 2.13</b>
Revenue tax	- 549	- 458	- 91	
Stock asset valuation	139	- 704	843	
<b>Earnings after taxes &amp; valuation</b>	<b>1,478</b>	<b>767</b>	<b>711</b>	<b>92.70</b>
Transfer into retained earnings	- 1,478	- 767		
<b>Result after appropriation of earnings</b>	<b>0</b>	<b>0</b>		

The year 2021, the second financial year following the outbreak of the coronavirus pandemic, proved extremely encouraging for us once more. In spite of the odds, during the reporting year we generated total sales of goods before revenue reductions of €84.9 million, thus outperforming the sales figure for the previous year by around €3.8 million (4.7%). Considered in terms of retail prices, this represents turnover of approximately €107.8 million.

The core sales divisions generated turnover of €64.9 million – nearly €2.4 million more than the previous year's turnover.

Outside of core sales, we generated an additional €20 million in turnover, primarily as a result of sales to other Fair Trade organisations, or of foreign turnover and sales of raw materials to the finishers of our products. We managed to grow this turnover metric by fully €1.4 million compared to the previous year.

With an almost unchanged trading margin, the increase in turnover led to gross profit that exceeds the previous year's figure by more than €1.1 million and helped anchor the very good result for the year, even in the face of the resulting steeper revenue reductions of €0.4 million. Non-operative effects reported under other income also contributed to the more than 6% increase in total yield.

This increase, however, was used up by an increase in expenses in excess of 7% compared to the previous year. The principal cause of this are steep rises in personnel expenses due to pay increases, the noticeably narrowed scope of reduced working hours and a provision for profit sharing by the workforce.

In addition to lower income taxes, particularly the more than €0.8 million in improved result from the valuation of inventories leads to an almost doubled result after taxes.

To view more about trends during the 2021 financial year, please consult the recorded livestream of our annual press conference: [gepa.de/jahres-pk-2022](https://gepa.de/jahres-pk-2022)

# Turnover development 2021

## Turnover development 2021 by sales areas

**46,1 %**

Groceries, organic and natural food retail

**20,7 %**

World Shops and natural food retail

**6,1 %**

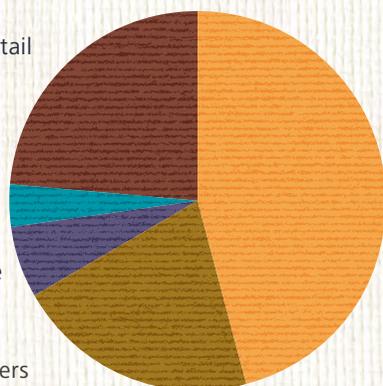
Out-of-home service

**3,5 %**

Online shop end users

**23,6 %**

Other countries/processors



	2021 in k €	2020 in k €	Change in %
Groceries, organic and natural food retail	39,176	37,104	5.6
World Shops and Action Groups	17,549	17,633	- 0.5
Out-of-home service	5,214	5,347	- 2.5
Online shop end users	2,964	2,465	20.2
Other countries/processors	20,008	18,579	7.7
<b>Total</b>	<b>84,911</b>	<b>81,128</b>	<b>4.7</b>

## Turnover development 2021 by product groups

**40,8 %**

Coffee

**25,8 %**

Chocolate

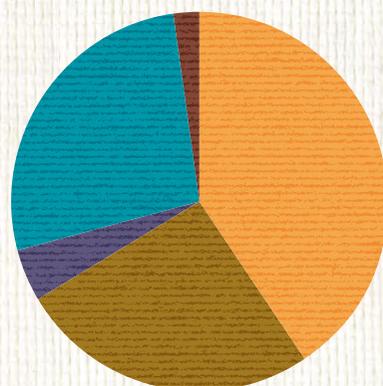
**4,4 %**

Tea

**27 %**

Other groceries

**2 %** Crafts and artisanry



	2021 in k €	2020 in k €	Change in %
Coffee	34,612	33,973	1.9
Chocolate	21,931	20,735	5.8
Tea	3,789	3,824	- 0.9
Other groceries	22,897	21,080	8.6
Crafts and artisanry	1,682	1,516	10.9
<b>Total</b>	<b>84,911</b>	<b>81,128</b>	<b>4.7</b>

### Revenue

As in the previous year, there was also a sharp shift in turnover within the individual core sales divisions in the 2021 reporting year. The biggest winner in the face of the coronavirus crisis was once again the sales division for groceries, organic and natural food retail. Turnover here rose by approx. 5.6% and stood at nearly €39.2 million. Sales in the online shop for end users were also more than 20% higher and completed the reporting year at just under €3.0 million. Turnover for the other core sales divisions – World Shops & Action Groups and Out-of-home service – was 0.5% and 2.5% lower, respectively.

As a product group, **coffee** remains the strongest driver of turnover, with a total of €34.6 million (+2% compared to the previous year).

The trend in the product group of **chocolate** has been very positive for years, with rates of growth regularly in the double digits. This product area once again ranked among the highlights in the year under report. Turnover was 5.8% higher compared to the previous year and stood at more than €21.9 million.

**Tea**, the third-strongest product group for finished goods, generated €3.8 million in turnover. This represented a decline of 0.9% compared to the previous year.

The three product areas with the highest turnover – coffee, tea and chocolate – already account for 71% of GEPA's total turnover. Turnover of €22.9 million was realised in the various other food areas, which in the end generated €1.8 million in additional turnover. This development is driven by the product group of cocoa, for which turnover increased by 17.5% to €13.2 million. Some product groups, on the other hand – such as honey, wine and others – experienced reductions of between 1% and 8% in turnover.

There was an upwards trend in the **crafts and artisanry** area during the year under report as well. Turnover there was approx. 11% higher and completed the year at a little less than €1.7 million.

# Development in the South – fair worldwide

## Purchasing volume, 2021 financial year

By product groups

**52 %** Coffee

**17 %** Cocoa

**9 %** Other groceries

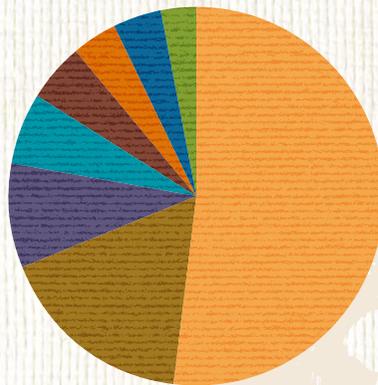
**6 %** Powdered milk

**5 %** Sugar

**4 %** Honey

**4 %** Crafts and artisanry

**3 %** Tea



By continents

**60 %** Latin America

Latin America

**20 %** Africa

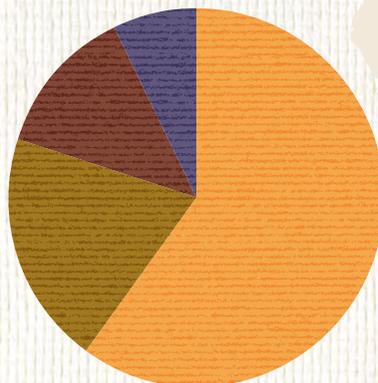
Africa

**13 %** Asia

Asia

**7 %** Europe

Europe



*With which trading partners do we cooperate?*

**Africa**

*27 partners in 15 countries*

**America**

*61 partners in 14 countries*

**Asia**

*38 partners in 13 countries*

**Europe**

*5 partners in 4 countries*

**Total**

*131 partners*

In the calendar year 2021, GEPA purchased goods with a total value of around 26.8 million US dollars (22.8 million euros) from its trading partners.

Most of this amount went to trading partners in Latin America, around 16.1 million US dollars (**13.7 million euros**), followed by 5.4 million US dollars (**4.6 million euros**) to trading partners in Africa, 3.6 million US dollars (**3.0 million euros**) to trading partners in Asia and 1.7 million US dollars (**1.5 million euros**) to trading partners in Europe.



## Countering climate change through Fair Trade

Rooibos actually copes quite well in dry and hot growing conditions. But even to this survival artist, climate crisis poses a threat. We have co-financed an agricultural consultant for WORC, our rooibos partner.

The field of Barend Solomon is home not only to tea bushes, but, planted between each row of rooibos, a row with the remains of wheat as well. 'We let the sheep graze on it. They fertilize the earth with their dung, and the remnants of wheat decay in the field. This is how we supply the soil with organic fertilizer', the WORC Managing Director explains.

To read why members were sceptical about this method at first, and what convinced them to change their minds, view our report:

[gepa.de/WORC-Reportage](https://gepa.de/WORC-Reportage)



# GEPA – climate-neutral in Germany



**Within Germany, GEPA is climate-neutral:** ‘As part of the comprehensive approach to climate justice, with GEPA’s climate-neutral status within Germany we have taken another important step forward’, explains Andrea Fütterer, Head of GEPA’s department for principles. Managing Director Peter Schaumberger: ‘We would like to thank all those involved and the consumers who have supported us so extensively. This is how they make their own contribution to climate justice – and ultimately to peace-keeping and to a more positive outlook for the future.’

**What exactly does ‘certified climate-neutral’ mean?** Together with ‘Klima-Kollekte’, the church-based compensation fund, we have identified the CO2 footprint of our activities in Germany. These activities include, for example, transports from our processing companies to us in Wuppertal, or the energy consumed by our office or our warehouse. Due to the unusual circumstances associated with the coronavirus pandemic that began in 2020 (e.g. lots of working from home, no business trips), our calculations are based on 2019 as the reference year. We offset these emissions through Klima-Kollekte with donations in support of a solar project in India.

**Learn more about CO2 measurement and the project we support:**  
[gepa.de/klimaneutral](http://gepa.de/klimaneutral)

[Klima-Kollekte certificate for Download \(0,2 MB\)](#)

## GEPA – CO<sub>2</sub> footprint calculation, Financial Year 2019

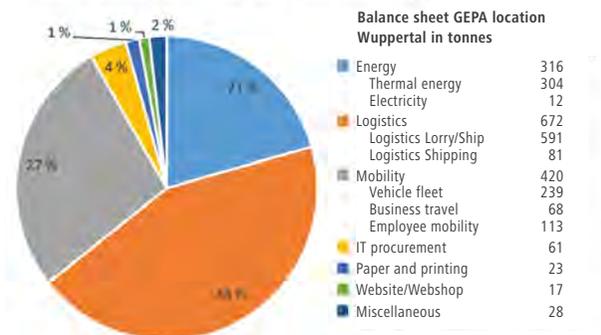
### ‘From the German port to the shelf’

- GEPA location and domestic activity: 1,537 tonnes of CO<sub>2</sub>
- 31 processors of GEPA: 1,353 tonnes of CO<sub>2</sub>
- **Total emissions:** 2,890 tonnes of CO<sub>2</sub>

Diese Emissionen werden über ein Solarprojekt in Indien über die Klima-Kollekte kompensiert

From the German port to the shelf

## GEPA location and domestic activity: 1,537 t CO<sub>2</sub>



GEPA location and domestic activity

VERMEIDEN - REDUZIEREN - KOMPENSIEREN

## ZERTIFIKAT



Die GEPA mbH hat einen Kompensationsbeitrag an die Klima-Kollekte geleistet und dadurch entstandene Emissionen aus dem Jahr 2019 des Standort Wuppertal und aller Aktivitäten in Deutschland kompensiert. Gemäß dem Tonnenpreis von 25 Euro hat die mbH 72.250,00 € Euro für die Klimaschutzprojekte der Klima-Kollekte zur Verfügung gestellt und damit 2.890 Tonnen CO<sub>2</sub>-Emissionen kompensiert.

Die Klima-Kollekte gGmbH ist ein CO<sub>2</sub>-Kompensationsfonds von christlichen Kirchen, über den Organisationen, Institutionen, Unternehmen und Einzelpersonen ihre Emissionen ausgleichen können. Der Kompensationsbeitrag fließt in Klimaschutzprojekte in Schwelken- und Entwicklungsländern in den Bereichen erneuerbare Energien und Energieeffizienz. Die Projekte dienen dabei nicht nur dem Klimaschutz, sondern tragen zur Armutsbekämpfung vor Ort bei sowie zur Umsetzung der Ziele für eine nachhaltige Entwicklung (SDG).

Die GEPA unterstützt ein Solarprojekt in Indien, dabei geht es um die Beschaffung und Installation von Photovoltaikanlagen in Datt-Gemeinden im südlichen Indien. Die klimafreundlichen Solarlampen vermeiden die gesundheitsschädlichen Dämpfe der üblichen Kerzenlampen, verbessern die Lichtqualität und -verfügbarkeit und sorgen für eine direkte Einsparung der CO<sub>2</sub>-Emissionen.



Klima-Kollekte – Kirchlicher Kompensationsfonds gGmbH, Geschäftsadresse: Claudia Triller, Charité-Markt/Str. 1, 10118 Berlin, Tel: +49 30 85211 4001, Email: info@klima-kollekte.de, www.klima-kollekte.de  
 Sitz der Gesellschaft: Theodorberg, Amtsgericht, Mülheim, Handelsregister: HRB 17235, Steuernummer: 3248912097, Bank für Kirche und Diakonie e.V., BIC: GENODE33HAN, IBAN: DE33 3606 0100 0104 3005 10

## Climate-neutral From the port to the shelf



GEPA is certified climate-neutral from the German port. With our coffees, this even applies to transport by ship to Germany from ports in the Global South ...



... through our processing companies ...



... and our headquarters in Wuppertal as well as our domestic activities ...



... all the way to the shelf in the shop!



If some of our emissions are inevitable, we offset them through a variety of projects.

Find out all about it here:  
[gepa.de/klimaneutral](http://gepa.de/klimaneutral)

# #ClimateJusticeNow – Klimagerechtigkeit jetzt!



## Climate justice: Our intentions

It makes logical sense to us at GEPA that we are not only part of the Fair Trade movement – but part of the climate movement as well. After all: The climate crisis is unfair! Or, in political terms: No climate justice without trade justice. That is why the topic of 'climate justice' is absolutely the focus of our efforts, both now and in the coming year – because, as a society, we must act now to resolutely confront the climate crisis and establish an economy that functions within the boundaries of our planet. Our effort goes beyond 'climate neutrality' – avoiding and/or offsetting emissions is important, but this is just one of the many steps along the path to genuine climate justice. This calls for a holistic view of the climate crisis.

To see what 'climate justice' means in concrete terms, and how the concept relates to fair trade, we encourage you to read our online special on the topic, at [gepa.de/klimagerechtigkeit](https://gepa.de/klimagerechtigkeit)

### Fund for Trading Partners

Through our Fund for Trading Partners, we systematically promote projects that focus on climate protection and climate justice, e.g. reforestation or advice on organic farming.  
[gepa.de/fonds](https://gepa.de/fonds)

### #Choco4Change

A piece for you, a piece for the climate: For each bar of climate chocolate we sell – #Choco4Change and #Choco4Change Vegan – we commit 20 cents to projects for the protection of the climate.  
[gepa.de/choco4change](https://gepa.de/choco4change)



### Coffee and the climate

We show why GEPA coffee is better for the climate, based on the example of our classic Orgánico:  
[gepa.de/organico-klima](https://gepa.de/organico-klima)

### At our Wuppertal headquarters

From eco-electricity to electric charging stations to the job bike: We also promote climate protection in our company's everyday life. We highlight the specific ways in which we work on many levels to live climate justice and climate protection:  
[gepa.de/klimaschutz](https://gepa.de/klimaschutz)



## CLIMATE JUSTICE – LET'S DO IT FAIR

Together with members of the EFTA (European Fair Trade Association) from a total of six countries, for Fair Week 2021 we launched the campaign: 'CLIMATE JUSTICE – LET'S DO IT FAIR' with a view to the COP climate conference, to draw attention to the urgency of climate-friendly action for partner organisations in the Global South and to show how Fair Trade and all committed parties can be part of the solution – in the multimedia realm and internationally. The climate crisis is not just an environmental crisis, but above all an ethical and political crisis that cannot be overcome without changing the foundations of the global economic system.

More information and the interesting short videos for the campaign can be found here: [gepa.de/climatejustice-letsdoitfair](https://gepa.de/climatejustice-letsdoitfair)

## #letsdoitfair





Climate-neutral, from the honeycomb to the jar:  
Discover our new honey range.  
[gepa.de/honeyfair](http://gepa.de/honeyfair)

## Children's rights: Learning instead of working!

With the **Cocoa Plus Price**, we contribute to the fight against exploitative child labour – for the profit of the children, not the corporations. After all: Parents who want to offer their children better opportunities need to receive fair pay themselves. We pay our cocoa partners significantly more than the world market price, more than the Fair Trade standard. **Read all about it:**  
[gepa.de/faireschokowelten](http://gepa.de/faireschokowelten)

### Product awards



**11/2021 ÖKO-TEST  
Faires Pfund  
organic coffee:**  
Test winner with 'Good'



**10/2021 ÖKO-TEST  
Organic Mascobado  
whole cane sugar:**  
'Very good'



**Organic Wine Award  
International  
Solombra Cabernet  
Sauvignon Bonarda**  
'Top Gold' for  
vintage 2020

*'Fair trade means school supplies for all children, including children who would otherwise be unable to afford them.'*

Adriana, daughter of a cocoa farmer from COOPROAGRO. GEPA procures fair organic cocoa for many of its chocolate products from COOPROAGRO.

GEPA and its  
associates:  
Joint action  
for Fair Trade



### Awards

**CSR Award of the  
German Federal  
Government 2020**  
Winner:  
'Responsible supply  
chain management'



**German  
Sustainability  
Award**  
TOP 3  
'Global  
Partnerships  
2020'



**GEPA – The Fair Trade Company**  
GEPA-Weg 1, 42327 Wuppertal  
[info@gepa.de](mailto:info@gepa.de)  
[www.gepa.de](http://www.gepa.de)

**Photo credits:** GEPA – The Fair Trade Company / C. Nusch, A. Fischer; Prospekt.TV; EFTA; Elastique; Beni Ghreb  
**Responsible according to the German Media Legislation:** Matthias Kroth and Dr. Peter Schaumberger, Geschäftsführer GEPA – The Fair Trade Company  
**Current as at:** 10/2022

