Fair Trees Fund
2024 Annual Project Report

Foreword

The year 2024 has posed significant challenges for civil society in Georgia. The Georgian Government introduced new legislation aimed at restricting the financial capacities of Georgian civil society organizations (CSOs), leading to heightened uncertainty and concern across the sector. This political instability and volatility prompted the withdrawal of some of the most important European development cooperation partners. In response, several donor organizations discontinued ongoing programs and began developing new strategic guidelines to adapt to the evolving landscape.

The Fair Trees Fund (FTF) has also been negatively impacted by these developments. Several planned collaborative projects have been put on hold. Despite these difficulties, the FTF has remained resilient and committed to its mission. It successfully fulfilled all its obligations, and none of the ongoing long-term projects were discontinued. This achievement reflects both the dedication of the FTF team and the strength of its partnerships.

Amidst the challenges, one notable success story stands out in 2024: in collaboration with the Fair Trees Fund, Lance Goffort finalized the first-ever Handbook for Safety and Climbing Standards in the cone picking sector. This pioneering guideline sets a new benchmark for worker protection and operational practices, addressing a critical gap in the industry. The handbook is expected to significantly improve safety awareness, reduce accidents, and promote professionalization within the sector.

The Scholarship Program also stood out in 2024 as a source of hope and empowerment. Despite the turbulent environment, the program succeeded in providing vital financial and moral support to young people from disadvantaged backgrounds, particularly those from rural and mountainous regions of Racha.

In collaboration with the European Union Development Program, the Fair Trees Fund took a pioneering step in 2024 by developing the first-ever Community Indicators System in Georgia. This innovative tool is designed to enhance the effectiveness of NGOs operating in regional contexts by improving project planning, monitoring, and

evaluation. By promoting data-driven decision-making, the Community Indicators System will significantly increase the overall success rate of development and environmental projects and allow for more precise and context-sensitive program adjustments.

Despite a difficult year for civil society in Georgia, the Fair Trees Fund remained committed to its core values—education, health care, environmental protection, and labor rights. In the face of political and financial setbacks, the Fund continued supporting vulnerable communities, empowering youth through scholarships, protecting seasonal workers' rights through unionization, and promoting more effective regional development with new community-based tools. FTF's work in 2024 demonstrated resilience, adaptability, and unwavering dedication to social equity and sustainability.



Marianne Bols

Marianne Bols

Founder and Board Member of Fair Trees Fund
Honorary Consul of Georgia in Denmark

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About Fair Trees Fund

The Fair Trees Fund (FTF) is an NGO based in Tbilisi, Georgia. It was founded in 2009 with the vision of providing the people of the Racha region a better everyday life with increased safety, health, education, equality and prosperity, while protecting natural forest resources through sustainable management and harvesting. The Fund does this by improving the livelihoods of Georgian cone pickers, their families, and their community through various social investments. The funds for the social investments are raised through the sale of Fair Trees Christmas trees throughout Europe. Every time a consumer purchases a Fair Trees Christmas tree, a percentage of the sales price is allocated as a fixed amount directly to the Fair Trees Fund.

Committed to the 10 Fair Trade principles, FTF's work is securing better and safer working conditions, ensuring workers' rights and fair wages, and improving healthcare, education and infrastructure through sustainable investments in the Racha region.

The organization consists of local staff in Georgia who handle project implementation, stakeholder relations, and various other tasks. Additionally, board members and volunteers are employed by various organizations across Europe, such as Fair Trade Denmark and the German retailer REWE, the largest retailer in Europe.

FTF also employs freelancers when a particular set of skills is required, for instance for the annual safety and climbing training for cone pickers, which involves leading international climbing experts. As a Non-Governmental Organization, FTF works primarily for its stakeholders, not for its employees, and the organization is structured in a way that can best fulfill its mission and strategy. Therefore, FTF strives towards making sure that the organization at any point is shaped in such a way that it can serve the most people within the target audience as efficiently as possible within its mission.

1. Healthcare

A pillar of FTF's strategy, 30.765 € **(89.695 GEL)** was invested in healthcare initiatives in 2024, corresponding to **24,4 %** of the annual expenses.



24,4 % of total budget

1.1 Dental Clinic in Ambrolauri



The Fair Trees Fund continues to address the oral health needs of children in the Ambrolauri and Oni municipalities through its Dental Clinic that offers free treatments to children. The clinic, which began in 2016, experienced significant developments and challenges this year. The project addresses the SDG 3: Good Health and Well-Being.

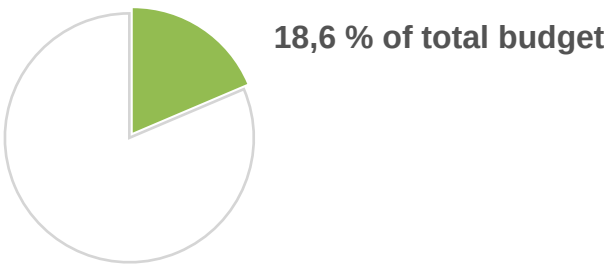
Operational Challenges and Relocation: In 2024, the Free Dental Clinic for Children underwent a major transformation. The clinic relocated to a new, fully renovated and upgraded facility in the city center of Ambrolauri, making it more accessible to children and families. Due to the renovation work, the clinic was able to reopen for patients only in May 2024. The Fair Trees Fund's investment ensured improved infrastructure and quality of care, securing continued access to essential health services for the region's youngest residents.

Treatment and Outreach: Although the clinic could reopen only in May 2024 due to renovation work, it started with a record number of treatments—261 in the very first month. Despite operational disruptions, this strong start reflects both the high demand and the commitment to improving children's access to essential dental care in the region.However, transportation issues hindered children from Oni from accessing the clinic, still stays the challenge. In total, the clinic provided 1540 free dental treatments throughout the year 2024, which is considered a great result considering the operational challenges.

Future Plans: The new clinic location will also serve adults, aiming to create a financially self-sufficient operation. PR campaigns are planned to raise awareness of the clinic's services and new location, ensuring continued support for the dental health of the community.

2. Education

It is the view of the Fair Trees Fund that good education is the strongest foundation for a better future, and therefore promoting education has become one of the areas in which the Fund continues to invest. A total of 23.377 € **(68.154 GEL)**, or **18,6 %** of the total expenses, was put towards this area in 2024, with the vast majority going towards scholarships.



2.1 Students' Scholarship Program

The FTF Students' Scholarship Program is dedicated to supporting academically talented students residing in the Ambrolauri and Oni municipalities who face financial challenges. By providing scholarships, the program aims to reduce inequality in access to higher education and encourage students from rural areas to pursue their academic goals. The project addresses the SDG Goal 4: Quality Education.

In 2024, a total of 25 students benefited from scholarships provided by the Fair Trees Fund. Of these, 10 students successfully completed their scholarship period and graduated. Unfortunately, one student was not considered for further funding after deciding to discontinue their studies. The program continues to play a vital role in supporting young people's access to education and personal development.

The scholarship program not only removes financial barriers for talented students in Ambrolauri and Oni municipalities but also fosters academic progress and instills encouragement in students from rural areas. This initiative plays a crucial role in nurturing their dreams and contributing to a brighter future for both the individuals and the community.



2.2 Chemistry and Physics Laboratories

This project aims to increase the educational outcomes at the schools in the villages of Racha region. Especially, the focus lies on development of skills, which are demanded on the Georgian labor market, ensures the employment perspectives of the locals, and sparking an interest in science. To reach this goal, the FTF establishes chemistry and physics laboratories at schools in the villages of the Racha region, where the science classes have usually been conducted solely with largely outdated books and one-way teaching style. As a result of the established school labs, local children are given the opportunity to gain the practical experience crucial for these science fields. The FTF established laboratories at three schools; at Nikortsminda, Likheti and Bugeuli school in 2019 but continues to monitor the effect of the implemented laboratories.

2.3 Cooperation with Act4Transformation

Act4Transformation is a German-based non-profit cooperative working in the fields of global and intellectual learning and civil conflict transformation. It is registered as a public provider of youth welfare and serves as both a sending and receiving organization for voluntary services.

In 2024, Act4Transformation invited the Fair Trees Fund (FTF) to contribute as a facilitator in the project “Walk and Talk about SDGs: Experiencing SDGs in Interactive City Rallies.” As part of this collaboration, FTF’s Project Manager led a three-hour online workshop for global peace multipliers on the topic: *Fair Trade and Building a Sustainable & Just Economic System*.

Participants gained valuable insights into the global production network of Christmas trees, including the institutional, environmental, and ethical standards that govern it. The workshop also offered space to critically reflect on the challenges of global supply chains and explore sustainable and fair production practices, linking everyday consumption to global development goals.

3. Quality of Life

3.1 Girls Football Club "Racha 2020"



In September 2020, the Fair Trees Fund supported the establishment of the Girls Football Club “Racha 2020” in the RLKS region. By signing a memorandum of understanding with the newly founded club, the Fund committed to paying the salaries of the female coach and club director.

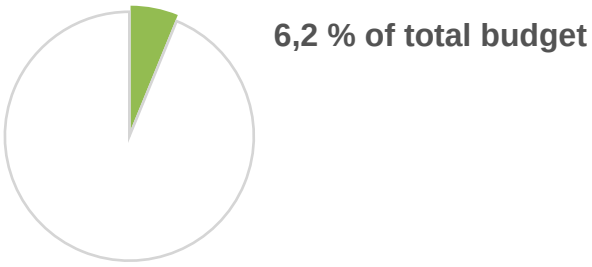
The project aims to build a sustainable and successful high-performance system for women's football, increase the number and diversity of women in coaching, refereeing, and sports administration, and develop participation opportunities and infrastructure. Additionally, it seeks to change perceptions and break down social barriers to participation.

Since its founding, the club has provided a vital platform for young girls in the region to engage in sports, fostering both their athletic skills and personal development. It has become a community hub where girls can learn, grow, and challenge gender norms. The club has seen a growing number of members since it opened and has proudly had players join the national women's team of Georgia.

Aligned with the UN's Sustainable Development Goal 5: Gender Equality, this initiative partners with the Georgian National Football Federation and the RLKS Football Federation to promote and support women's football at all levels.

In 2024, Football Club Racha 2020 achieved a major milestone by moving up to the first league, reflecting the team's dedication, talent, and community support. Adding to this success, two players were invited to join the national team, marking a proud moment not only for the athletes but also for the broader initiative that uses sports as a tool for empowerment, inclusion, and youth development.

In total, the Fair Trees Fund has invested 22.74 € **(7.800 GEL)** in the football club in 2024, which corresponds to **6,2 %** of the total expenses of the year.

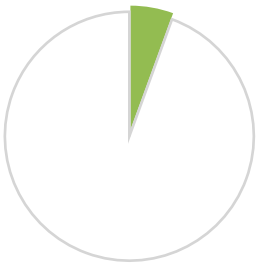


3.2 Fair Wage for Fair Trees Cone Pickers

The Fair Trees Foundation remains deeply committed to the well-being of the members of the Racha community, particularly the cone pickers who supply seeds for the Christmas tree industry. In 2024, FTF continued its dedication to enhancing the safety and financial stability of these workers by offering comprehensive support. This includes occupational injury and health insurance for the pickers and their families, ensuring their overall well-being.

In addition to providing insurance, the Fund guarantees a living wage—a "Fair Wage"—which includes a pension, even in years without harvests, such as the challenging season of 2021 and 2023, which is an increasing concern due to climate change. The payment structure is a monthly payment of 90,00 € to each cone picker throughout the harvest season.

This Fair Wage is crucial for helping pickers and their families endure the harsh winter months in the region. A total of 7.210 € **(21.020 GEL)** was invested in this initiative in 2024, which corresponds to **5,7 %** of the total expenses of the Fund.



5,7 % of total budget

4. Safety

Safety is another cornerstone of the strategy of The Fair Trees Fund. A total of 25.757 € **(74.561 GEL)** was invested in projects addressing the safety of the people of the Racha Region in 2024. This equates to **20,3 %** of the total expenses of the Fund.



20,3 % of total budget



4.1 Safety and Climbing Standards

The Fair Trees Fund is actively working to enhance safety and climbing standards in the industry by implementing internationally recognized best practices across Georgia. The aim is to improve safety at workplaces where professional climbers are employed. In 2024, FTF's cone pickers continued the colaboration with the Georgian trade union LABOR to promoute a Cone Pickers' Association (CPA), with support from the United Federation of Workers in Denmark – 3F International. This partnership also seeks to strengthen labor institutions, empower workers in negotiations, enhance working conditions, and establish a sustainable system for long-term improvements.

Lance Goffort, tasked with overseeing safety equipment and training, conducted an audit in Ambrolauri and identified the need for new safety equipment ahead of upcoming training sessions. He led the safety training for cone-pickers in September and took on the full responsibility for developing the safety and climbing standards. Additionally, he proposed a training program including sessions on Single Rope Technique, Aerial Rescue, Climbing Certification, and first aid training to ensure compliance with international standards and keep workers updated on the latest practices.



6. Oni Hub-in

The Oni Hub-in project, initiated in 2022, is a collaboration between the Institute of Architecture and Culture at the Royal Danish Academy, VAADS University, Danish floor manufacturer Dinesen and FTF, supported by Oni's municipality and the New Democracy Fund. This project aims to contribute to the sustainable development of Georgia's Racha Region by evolving traditional wooden construction techniques into a self-reliant and sustainable building culture, through the exchanges of students between Georgia and Denmark, studying and practicing construction and architectural techniques from the two cultures. Key areas of focus include heritage preservation, viable timber production, tourism promotion, and sustainable forestry practices.

In 2024, the Fair Trees Fund continued to finance the maintenance of the physical infrastructure for the Oni Hub-in project. Although the initiative had attracted strong interest from external donor organizations in previous years, the shifting political landscape in Georgia has led to a pause in development opportunities. Despite this setback, FTF remained committed to preserving the core infrastructure of the project, in the hope that the situation will improve and Oni Hub-in can soon return to a path of positive growth and impact.

The total investment in 2024 was 1.069 € **(3.117 GEL)**, which is **0,8 %** of the total expenses of the Fund.

0,8 % of total budget

7. Securing Further Funding

The Fair Trees Fund is proactively seeking additional funding opportunities beyond the premium generated by the sale of Fair Trees Christmas Trees. By allocating a portion of its overall budget to support grant applications and fundraising initiatives, FTF aims to diversify its financial base and ensure long-term sustainability. This strategic approach allows the Fund to expand its impact across key areas such as education, healthcare, environmental protection, and labor rights—especially in times of political and economic uncertainty.

8. Financial Insights

8.1 Expenses

The Fair Trees Fund is dedicated to providing comprehensive insight into both the activities supported and the expenditure of funds. The aim is to ensure that all stakeholders have a clear understanding of how contributions are utilized. FTF is committed to effectiveness in its mission, assuring every supporter that their contributions are used effectively. To this end, FTF offers full transparency on both completed and ongoing projects, as well as detailed financial figures in this report. The overview below illustrates the expenditures across various categories for the year 2024.

Statement of Activities and Functional Costs		**Exchange rate LARI -> EURO 0,343**	
	LARI	EURO	%
Income Statement			
Contributions	**392.240 GEL**	**134.538 €**	
Social Investments			
Health expenses	-89.695 GEL	-30.765 €	*24,4%*
Safety expenses	-74.561 GEL	-25.575 €	*20,3%*
Education Expenses	-68.154 GEL	-23.377 €	*18,6%*
Contribution to subsistence income	-21.020 GEL	-7.210 €	*5,7%*
Projects			
Expenses Girl's Football	-22.741 GEL	-7.800 €	*6,2%*
Danish Royal Academy Oni Hub-in	-3.117 GEL	-1.069 €	*0,8%*
Office costs			
Salary expenses	-40.708 GEL	-13.963 €	*11,1%*
General and administrative expenses	-23.445 GEL	-8.041 €	*6,4%*
Notarius, translation and juridical service	-21.780 GEL	-7.470 €	*5,9%*
Financial costs and services	-1.057 GEL	-363 €	*0,3%*
Tax and pension	-1.003 GEL	-344 €	*0,3%*
Total expenses	**-367.280 GEL**	**-125.977 €**	***100,00%***
Extraordinary revenue	0 GEL	0 €	
THE PERIOD'S RESULT	**24.960 GEL**	**8.561 €**	

Salaries and travel expenses for employees who are associated with special projects are booked as expenses for the respective projects.

8.2 Accounting Principles

The base currency in the accounting system is LARI. In some accounts, such as the revenue accounts, the amounts are posted in EURO, which are automatically transferred to LARI at the rate of the posting date.

To produce the annual report and the income statement, amounts in the base currency LARI are exported as a spreadsheet file, and a column in EURO is added using the year's average exchange rate. Because the Lari exchange rate fluctuates a lot, with the euro accounts there will be a difference between the amount registered in the system and the amount converted in the spreadsheet.

When posting a transfer from a Euro account to a LARI account, the accountant calculates the exchange rate as X GEL/Y Euro. This exchange rate therefore includes the bank fees, which are thus not recorded in the income statement.

When transferring a EURO amount to Georgia, the Georgian bank deducts a certain amount and deposits the rest into the fund's Euro account. The difference is booked under the Euro Transaction Cost. The amounts stated in the turnover accounts correspond to the amounts sent from Denmark.

To save fees, certain expenses are paid via Fair Trade Marketing's account in Denmark, where the base currency is DKK. To include fees and the actual exchange rate in Euro, the DKK amounts are converted to euro amounts, which are posted in the Euro account DK, which thereby becomes negative until reset at the end of the financial year. When reset, the amount is registered as turnover in the account "REWE, paid into DK account".



Fair Trees Fund

Make Christmas Trees Fair Trees, protecting people and forest

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