



Impact and Sustainability Report

2022



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The 2022 harvest





The 2022 harvest

2022 ended with a piece of news that I found worrying: Europeans' consumption of organic food decreased over the course of the year. Analysts attribute this to the fact that, during periods of raging inflation, sales of ultra-processed products go up and sales of organic products go down. How is it possible that European society can't afford a healthy and organic diet because of an economic issue? We know that organic farming is a key factor in creating jobs and fighting climate change. According to data from the European Union, 60–70% of our agricultural land is degenerated due to the prolonged use of herbicides and synthetic chemical fertilisers.

How is it possible that the consumption of European-grown organic food isn't promoted more (with some kind of measures)? I just don't understand. Especially because I believe that there are simple measures that could have a huge impact, such as not applying the same VAT to organic and healthy food as non-organic and unhealthy food. Or even encouraging local and regional consumption instead of importing from faraway countries.

I hate to think of the consequences: a drop in consumption will slow down the momentum that we've seen of farmers signing up to organic farming. Or worse, that some of those who recently made the switch will backtrack and revert to using synthetic pesticides that destroy ecosystems. Moreover, the shift to organic farming in Europe was being accompanied by a generational shift, so the decline in consumption may demotivate young farmers: the average age of farmers growing crops organically is 48, while the average age of farmers growing crops using synthetic pesticides is 64.

The start of a new year transformed concern into motivation. There are many things we at CrowdFarming can do to reverse the situation, and I'm very confident about one in particular: our outreach work to raise awareness in society (farmers and consumers) about the environmental, social and financial advantages of organic farming.

We have to, we want to, and we're able to make agriculture in Europe synonymous with respect for the environment, fair prices and quality employment.

Gonzalo Úrculo, Farmer & Co-Founder of CrowdFarming



● Farmers in Spain
● Farmers in France
● Farmers in Italy

● Farmers in Germany
● Farmers in Austria, Greece, Croatia, Hungary, Romania and Georgia

245 producers from 15 countries

Austria, Bulgaria, Colombia, Croatia, Czech Republic, France, Germany, Georgia, Grenada, Greece, Hungary, Italy, Portugal, Philippines, and Spain.

593 agricultural projects

where chemical synthetic pesticides are not used.

148 people

working at CrowdFarming in Spain (Madrid, Valencia and Málaga), France, Germany and Italy, and 42 people working at CrowdLog, CrowdFarming's new logistics hub.

180 organic producers,

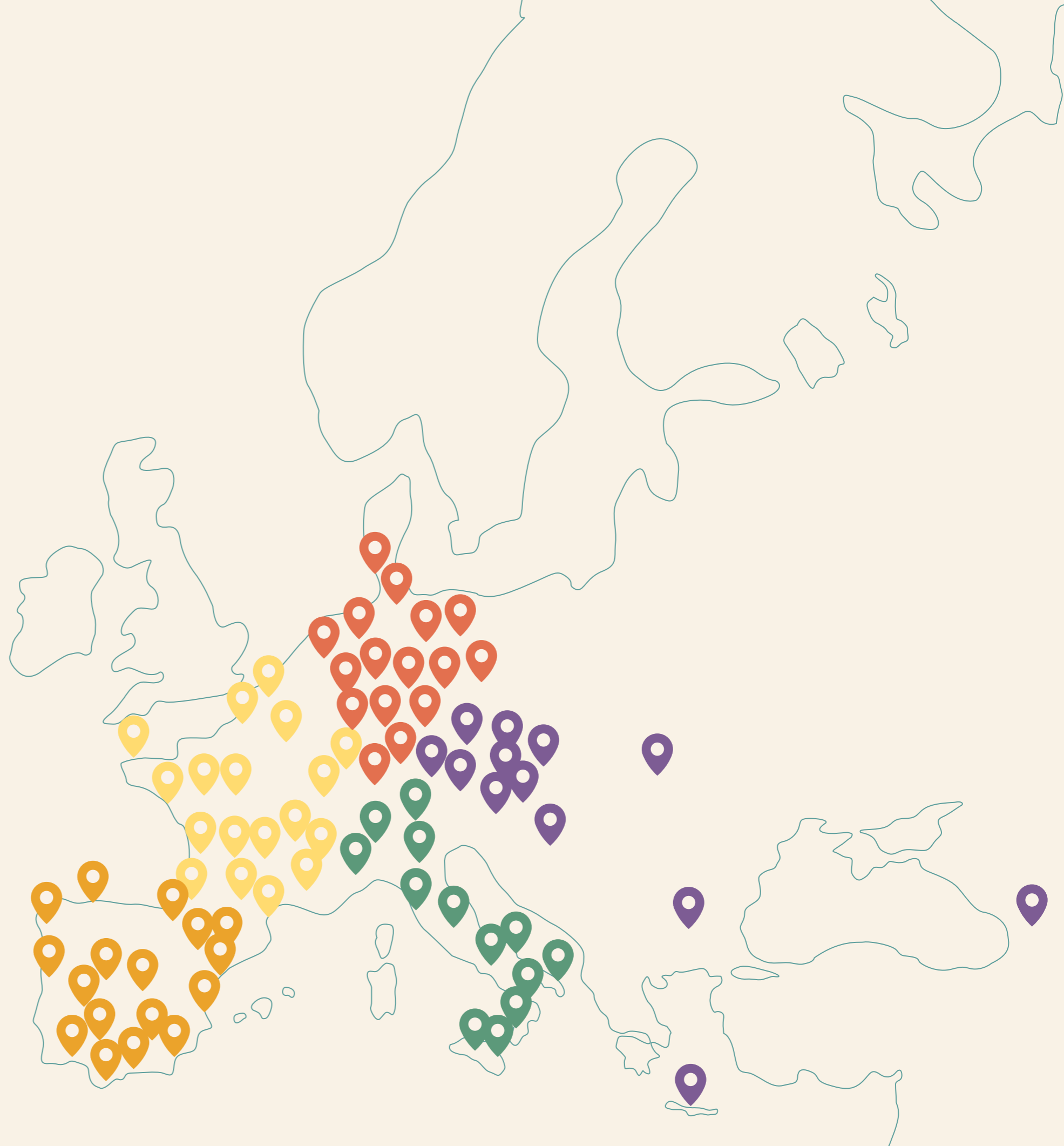
29 converting to organic, 15 biodynamic and 7 regenerative.

18.358 hectares

of organic farmland and 854 hectares of farmland converting to organic are run by the producers who sell via CrowdFarming.

+ 1,5 m shipments

to over 30 countries in Europe.



Adoptions are at the forefront of this agricultural and social revolution – and our main measure of success

We ended 2022 with...

267,619 active adoptions

(trees, fields, animals), 74,114 more than the previous year.

Although you can find up to

130 different products

(40 more than last year), our star products of the year are still citrus and tropical fruits, followed by extra virgin olive oil.

In 2022, producers sold

7,500 tonnes

through CrowdFarming, for a value of 44.8 million euros.

76% of shipments

were made using plastic-free packaging, compared to 73.5% in the previous year. Of those that did contain plastic, 22% were BPA-free.

78% of sales

were organic products, and 20.5% of products converting to organic. For the remaining 1.5%, we ensure that the product is free from synthetic pesticides.

Some of 2022's most successful discoveries were bananas, PDO cheeses, apricots, lychees, prickly pears, guavas and dragon fruit.

In our 2022 survey of producers (111 responses), we learnt that...



84%

of producers say that their total income has increased since they have been on CrowdFarming, and 73% say that their financial situation has improved



89%

believe that there has been a positive impact on their work since they have been with CrowdFarming, whether through new knowledge, better customer service, improved operations, more staff or the possibility of hiring different profiles



85%

of citrus fruit growers and 62% of tropical fruit producers agree that margins are better on CrowdFarming compared to channels such as supermarkets, distributors or hospitality. The remaining producers stated that prices are similar to other channels.



The main challenges we faced...

It's been five years since we made our first shipment of oranges to homes in various parts of Europe. That first shipment showed us how difficult the challenge we'd set ourselves would be, but also the huge impact we could have if we succeeded.

Selling organic products directly is full of challenges. We're talking about true direct selling, where you can put a face to the farmer and you choose the farm you want to receive your products from. Some of the main challenges we faced in 2022 were...



How expensive everything is...

Europe is suffering from an unprecedented energy crisis, along with a 150% rise in fuel prices between July 2021 and July 2022.

(European Council, 2023)

As a result, conventional farming is increasingly expensive due to the 87% increase in the price of fertilisers.

(Eurostat, 2023)

The weather's going crazy!

In 2022, unprecedented droughts, temperatures, wildfires and floods compromised food security in many areas of the world.

(IPCC, 2022; Spasić, 2023; U.S. Embassy and Consulates, 2022)

Changing trends in organic consumption

In 2022, the consumption of organic products fell for the first time since 2000.

(AHDB, 2022; USDA, 2023)



Buzzword of the year: “Regeneration”

Our soils need us to take care of them... urgently!! Around 60–70% of soils in Europe are unhealthy (European Commission, 2020). Regenerative agriculture – as well as its derivatives – is one of the main ways we can combat soil degradation (Rhodes, 2017).

The problem? Although there's no consensus on what regenerative agriculture means, this word has already spread like wildfire to describe products, brands and even companies, and runs the risk of being misinterpreted.

Key milestones that fill us with pride

To make it a worthwhile experience for both farmers and CrowdFarmers, there needs to be perfect coordination between farmers, transport firms and us. From the moment you place an order on our website, a sequential process is triggered: notification to the farmer, harvest (weather permitting), packaging, and shipment to your home.

To enhance this experience every year while we adapt to all the new challenges, we use an infallible technique: trial and error. In 2022, we planted a few new seeds that we're looking forward to telling you about, and some are already bearing fruit!



Consolidating a network of associations for regenerative agriculture



'Collaboration and partnerships such as AIVelAI Foods with CrowdFarming are crucial to propelling the adoption of regenerative agriculture practices. By pooling resources and expertise, we can provide farmers with the support they need to transition to regenerative agriculture and demonstrate the positive economic benefits that can be achieved. Together, we can help farmers overcome their fears and build a more sustainable future for our food system.'

Luis Leblanc, Managing Director of AIVelAI* Foods

*(AIVelAI is an association of producers to regenerate the landscape and economy of an area covering 1,000,000 hectares in southern Spain)

'The regenerative transition does not just involve producers who are striving to improve soil health, increase biodiversity and grow high-quality food. It also depends on the distributors who are providing alternatives to the way we currently distribute and sell food. To regenerate agriculture, we also need to change the way we distribute and sell produce. CrowdFarming is one of these examples: a platform operating throughout Europe helping farms sell directly to the final consumer.'



[More information on page 65...](#)

A logistics hub where no fresh products are not stored



'Creating a more socially and environmentally sustainable supply chain isn't just about empowering farmers economically; it's about rethinking the entire supply chain. This packing centre only accepts freshly harvested fruit that has already been ordered by an end consumer. It doesn't ripen in chambers or receive post-harvest treatments. It's packaged, labelled with the recipient's address, and loaded onto a truck to travel to its destination.'

Clara Fernández Ortigosa, Head of Operations at CrowdLog



'Thanks to this packaging centre, we can allow farmers to focus on producing and not having to take the risk of investing in machinery or cardboard to prepare orders.'

Head of Farmer Hunting* in Southern Europe

* Farmer Hunting is the team that mentors and helps farmers (it never hunts them)

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New purchasing possibilities to open the door to new CrowdFarmers

(The people who buy via CrowdFarming)



'As we build on our vision of delivering the fairest and most efficient food supply chain, we realised that our current model, in which logistics influences many of our decisions, doesn't include the possibility of smaller family units buying smaller quantities. That's why we're trying to find new solutions such as group orders, which makes it easier for households in Europe to share products in a more sustainable way.'

Miguel Diéguez, Digital Product Manager at CrowdFarming

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More than 50 companies joined the agro-social revolution

'We consolidated the demand to partner with companies and take CrowdFarming beyond households. Farmer to Business goes beyond traditional employee benefits; it's about building a community among colleagues while contributing to a fair and sustainable food supply chain. Employees can create a company farm while learning about the benefits and impact of buying organic food directly from the farmer.'

Antonio García-Elorz, Business Development at CrowdFarming

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CrowdGiving: Fresh and organic food for everyone



'We joined forces with producers and CrowdFarmers to expand our reach and take 245 tonnes of organic food to various organisations in Poland helping Ukrainian refugees. We believe in a system that combats food insecurity and ensures access to quality products for everyone. We've seen it happen together.'

Cristina Domecq, Head of Impact and Sustainability at CrowdFarming



'Once again, we want to thank you for the donation of fruit we received last week. Oranges, clementines, bananas, rice and almonds were distributed to around fifteen organisations helping Ukrainian refugees. It's difficult to say the exact number of people who received that donation, but we know it's several thousand.'

Agata Szczybyło, Warsaw Food Bank (Bank Żywności SOS)

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What The Field!?

A podcast in which we chat with experts about everything that goes on from field to fork

'We decided to start a podcast to have a platform for in-depth discussions about different aspects of the food system. Our goal was to provide reliable information on topics that interest our community, while also expanding our own horizons. We've learnt a lot from outstanding scientists such as Dr Emilio Chuvieco, who has won a Jaume I Award for Environmental Protection, but also from our farmers and other companies, such as Too Good To Go, Riverford Organic Farmers and DHL, who are trying to focus on sustainability in their work. We all need to collaborate and learn from each other to achieve real systemic change.'



Emmeline Hess,
Communications
Manager at
CrowdFarming

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**What
The
Field?!**



A unique event on sustainability in the middle of an olive grove



'One of the things that really motivated me was seeing the wide range of companies that are here representing different parts of the supply chain all working together to tackle issues in the food industry. I think events like this are very important for people to realise that you're not in it alone and that there are other people who can help you on this journey into the unknown.'

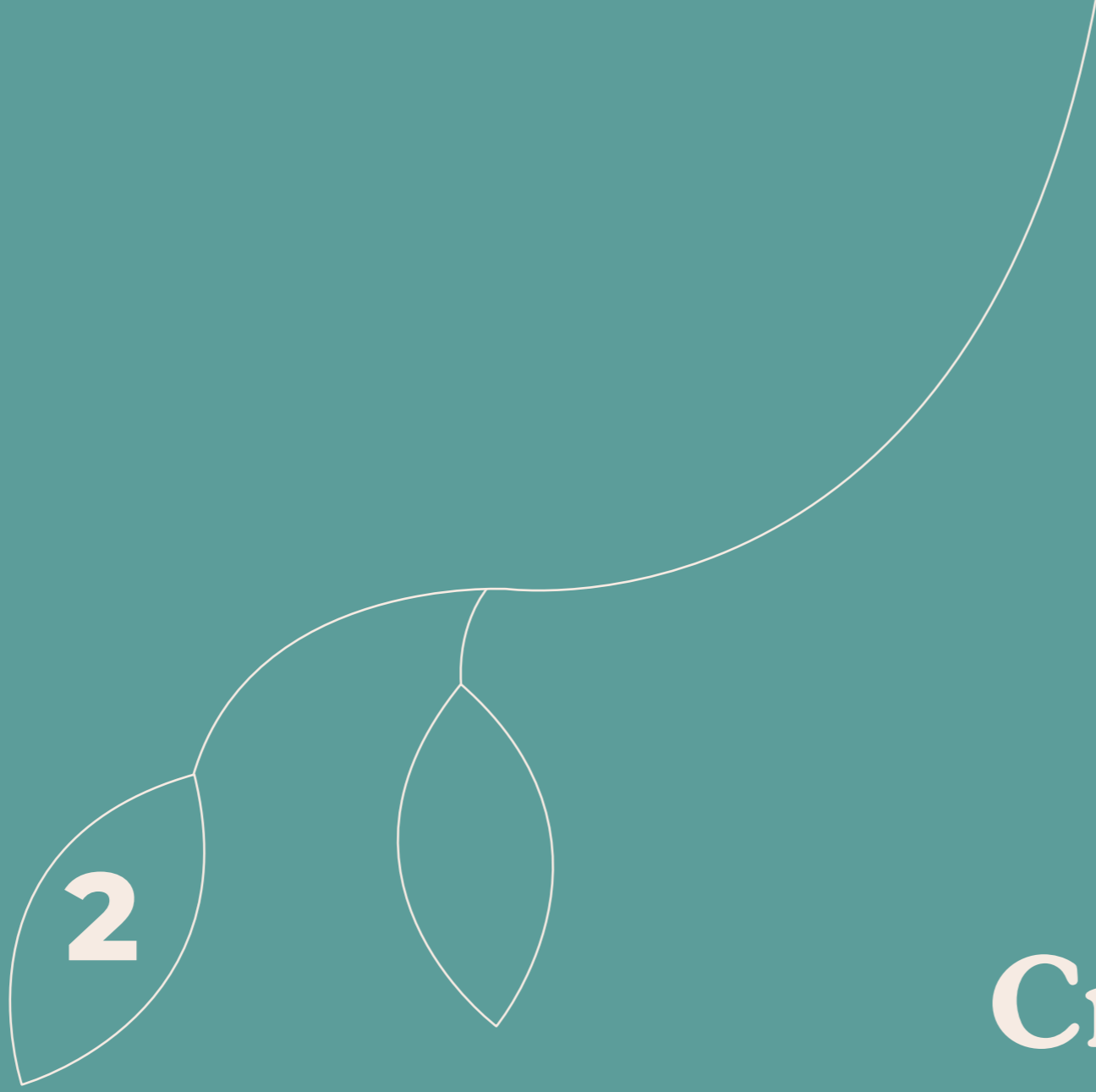
Maria Correa. Head of Comms and Community Engagement en B Lab Europe



'This was not a standard event, perhaps exactly for this reason it was extremely interesting. I was able to learn about the essential aspects and challenges that companies face, even when they want to put sustainability at the centre. I am very happy to see that there are indeed business leaders and pioneers who want to be at the forefront of this environmental revolution. It gives me hope.'

Alessio Terzi, Economist at the European Commission and author of 'Growth for Good'

[More information on page 102...](#)



We are CrowdFarming





Welcome to the WIN-WIN-WINNER model

At CrowdFarming, we're obsessed with building the world's fairest and most sustainable agri-food supply chain. After the Industrial Revolution, we like to think that the next revolution to come is the Environmental Revolution.

Our proposal is to create an economy with more than just two parties – buyer and seller, where commercial relations between farmers and consumers also generate a quantifiable benefit for the environment.

We're convinced that shortening the agri-food supply chain in terms of time, distance and intermediaries is the most effective way of reducing the environmental impact of food, helping farmers increase their margins, and allowing consumers to receive a fresher product without paying more.

The WIN-WIN-WINNER model

A fairer supply chain: Producers win

[More information on page 33...](#)



Resource efficiency as a mantra: The environment wins

[More information on page 54...](#)



Knowledge is power: CrowdFarmers win

[More information on page 88...](#)



CrowdFarming as part of an ecosystem...

We're aware that, like everything else, our success depends on an ecosystem. In other words, we know we can't do it alone. That's why we like to partner with different organisations, discuss and understand different points of view, and learn from experts who dedicate their lives to creating knowledge about the world around us.

[More information on page 102...](#)

CrowdFarming Terminology

To understand one another, we need to speak the same language...



Producer

The farmer, beekeeper, livestock farmer or shepherd who cultivates or produces a product. They are the people or group of people who are at the very start of the food supply chain.



CrowdFarmer

Replaces the word consumer – we like its connotation better. In this new chain, a direct link is created between the person producing and the person receiving the food. This link can be translated into a commitment between both parties: the farmer produces knowing that someone is waiting for their harvest, and the CrowdFarmer enjoys a product knowing where it comes from, how and when it was produced, and who by.



Productive unit

This is what the CrowdFarmer adopts from a farmer and which the CrowdFarmer can visit in person and give the name they choose. It might be a tree, an animal or a piece of land where your food can be grown. There are productive units that can be adopted individually (you adopt the entire productive unit) and other units where you only adopt a part (you share this productive unit with other CrowdFarmers).



2.1

**A fairer
supply chain:
Producers win**

Being a farmer isn't easy in Europe in 2022. You just have to look at the numbers and the headlines about the agri-food industry that appear again and again

'Inflationary pressures are mounting and farmers are facing an onslaught of challenges

having to scrutinise weather forecasts, be aware of shifts in the regulatory landscape, or face evolving consumer preferences, rising costs from inflation, and unreliable supply chains.'

(McKinsey & Company, 2022)

'Just when it seemed we were making progress against the pandemic, geopolitical conflict strained supply chains even further and sent commodity, fertiliser and energy prices soaring.

Floods, droughts and early frosts exacerbated food shortages, highlighting the urgency of addressing agriculture's vulnerability to climate change.'

(BCG, 2022)

CrowdFarming gives an outlet to farmers to make their work easier and a real option for economic development, mainly in three aspects.

'Exceptionally hot and dry weather conditions across much of Europe continued to substantially reduce the EU's summer crop yield prospects for 2022.

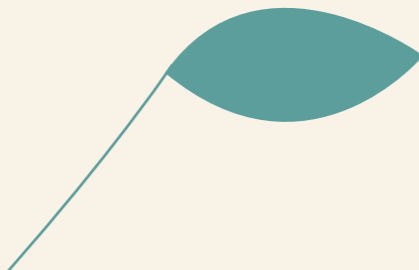
In some regions (for example, northwestern Italy and southern and central Spain), the very low water levels of reservoirs were insufficient for crops' water needs. This combination resulted in an irreversible loss of yield potential.'

(JRC, 2022)

The price of agricultural inputs increased by 30% from 2021 to 2022.

The highest price rises were in fertilisers and soil improvers.

(Eurostat, 2023)



1

CrowdFarming represents an additional sales channel, improving the economic situation of European producers

Since working with CrowdFarming, producers have said that*...

The vast majority of farmers say their total income has increased (84%) and their financial situation has improved (73%).

‘CrowdFarming opens up the possibility of selling our products directly to the consumer. Without them, direct selling wouldn’t have been a realistic option for us.’



*2022 Producer Survey

2

Unlike the traditional chain, CrowdFarming producers set the price of their product

A study conducted by Sustain with UK farmers analysed five everyday foods (apples, cheese, burgers, carrots and bread) and found that, after intermediaries and retailers take their share, farmers are left with less than 1% of the profits.

(Sustain, 2022)

In the specific case of middle- and high-income countries, consumers demand higher quality in terms of food safety, packaging, fast delivery and access to ready meals. This causes farmers’ margins to shrink as the food chain gets longer.

(Yi et al., 2021)

We analysed four of our main products: oranges, avocados, extra virgin olive oil, and almonds. Producers’ margins improve from 47% to 200% when selling through CrowdFarming compared to organic products sold through the traditional chain.



Since working with CrowdFarming, producers have said that*...

84.62% of citrus farmers and 61.53% of tropical fruit farmers (two of our most representative products) agreed that prices on CrowdFarming are better than the prices they receive in the traditional chain.

We look after farmers' economic stability

In addition to maintaining the price set by the farmer throughout the season, adoptions play a key role in farmers' economic stability, allowing them to estimate how much of their production they will sell via CrowdFarming and work with the certainty that this effort will end up paying off... while getting a fair price.

The CrowdFarming community ended 2022 with 267,619 active adoptions.

Through adoptions, CrowdFarmers reserve the production of a tree, animal, plant or land that is in the care of a farmer, symbolising and consolidating a commitment between both parties.

We can't underestimate the social and environmental impact of this commitment. The farmer is guaranteed the sale of a product they dedicate their whole year to, at a price that they've set, allowing them to move their focus away from cutting costs to also concentrate on building a resilient ecosystem on their farm and creating a quality product for the CrowdFarmer who's placed their trust in them.

On the other hand, to further contribute to farmers' financial stability, we strive to expand product supply – i.e. how many new producers enter the platform – in line with existing demand. In 2022, we expanded supply on the CrowdFarming platform from 172 to 245 producers, and from 90 different products to 130, offering CrowdFarmers a greater variety of products and regions.

However, the deceleration in the organic markets in Europe, also affected by the macroeconomic context, marked a change in the trend for some of the producers who, accustomed to seeing their sales grow with CrowdFarming from year to year, saw the same or even lower sales in 2022 than in previous years.

Keeping a close eye on the evolution of each producer's transactions from year to year – and not just our overall results as a company – means we can change tack when demand causes trends to change, guaranteeing producers' financial stability. That's why in 2023 we'll reduce the pace of new producers entering the platform and ensure that those who are already with us can continue to rely on the income stability guaranteed through direct sales on CrowdFarming.

'Personally, what I value most is having the harvest sold before harvesting, so I can prepare the product at the right quality and have an organised sales forecast for the following year'

2022 Producer Survey





The good news is that producer satisfaction is still very high

Since working with CrowdFarming producers have said that*...

69.23% of tropical fruit farmers, 62.5% of vegetable oil producers and 61.53% of citrus fruit farmers stated that their economic stability was greater on CrowdFarming than in the traditional chain.

'What I value most about CrowdFarming is the honesty and transparency'

2022 Producer Survey

Economic stability is key to transforming the agri-food chain, as it allows the producer to plan and invest in improvements to their business.

73% of producers say they have invested in improvements to their business since working with CrowdFarming.

In addition to these three main aspects of the CrowdFarming model aimed at making the supply chain fairer, we believe that we need to go even further. That's why we work every day to improve the direct selling experience. We know it's not always easy – and in turn, we give value to producers' work among the entire CrowdFarmer community. Para ello, tenemos un equipo de agrónomos. To do this, we've got a team of agronomists based in different locations in our main countries – Germany, Spain, France and Italy – to mentor producers from the time they start their journey with us.

This team is also responsible for building a community among producers to share lessons learnt and good practices and to convey the CrowdFarming philosophy in key aspects like organic and regenerative production, food waste, working conditions, or how to choose the most suitable packaging for their product and for the environment.

'We're implementing polyculture because CrowdFarming recommended it to us. After weighing up the benefits, we've started doing trials to convert our other farms to polyculture. I'll let you know how it all goes in a couple of years!'

'Since I've been working with CrowdFarming, I no longer use plastic and I choose packaging that's environmentally responsible.'

'We're getting our entire community to convert to organic farming.'

2022 Producer Survey

89% of respondents believe that their work has had some kind of positive impact since they've been working with CrowdFarming, whether through new knowledge, better customer service, improvements in operations, or recruiting more staff or new job profiles.

Approximately half of the farmers surveyed say they use renewable energy (53%), make compost (57%) or use waste to generate food by-products (46%), which all have a direct impact on reducing the use of resources.

All the producers of extra virgin olive oil sold on CrowdFarming have signed a manifesto to protect migratory birds, committing to not collect olives with automatic harvesters between 8 p.m. and 6 a.m., and to adopt the necessary measures to protect migratory birds in their olive groves.

Last but not least, and a key aspect of direct selling through CrowdFarming: we put the producer centre-stage.

We're always looking for new ways to nurture the virtuous cycle where CrowdFarmers choose the farmer they connect with – whether because of their product, their way of producing, or any other reason that makes them fall in love with the farmer's project – and the producer gets recognition and feedback from the community, as well as a fair price. This mutual commitment is the root of a fairer and more sustainable supply chain.

'What I value most about CrowdFarming is consumers' loyalty and their commitment to sustainability and small, family-run businesses'

'It's more than just selling online; it's a way of life, how we treat one another, and the respect we have for nature, work and enjoyment'

'We sell a story more than a product, and that also reaches the consumer directly'

2022 Producer Survey



Producers are the visible face and voice of almost all our communications, as are many episodes of our podcast What The Field!?, in which we invite them to give their personal experiences of being a producer in the twenty-first century.

In addition to interviewing Gonzalo, our CEO, Co-Founder and Farmer, eight other producers took part in the podcast to talk about issues like rural development, especially complex chains such as coffee and cocoa, regenerative agriculture and converting to organic. Not only did we talk to producers who sell on CrowdFarming, but we were also able to interview Guy Singh-Watson, a British producer and pioneer in online direct selling, and beekeeping expert Gilles Fert.



We closed 2022 with 245 producers, 73 of whom signed up to direct selling on CrowdFarming over the year!

245 producers

from 15 countries: Austria, Bulgaria, Colombia, Croatia, Czech Republic, France, Germany, Georgia, Grenada, Greece, Hungary, Italy, Portugal, Philippines, and Spain, producing a total of 120 different products.

91 of the producers

who sell on CrowdFarming are young, i.e. under 40 years old. This accounts for 37% of our producers, compared to the 11% of young farmers in the European Union (European Commission, 2016)

+ than 3,000 employees

in total at all the farms that are part of CrowdFarming, of whom 42% are women and 58% are men



We firmly believe that all this contributes to the socioeconomic development of rural, and often depopulated areas of Europe. Through our producers and associations such as AIVelAI (an association of producers to regenerate the landscape and economy of an area covering one million hectares in southern Spain), every day we learn more about the impact that our work is capable of generating.

Twenty-nine of the farms are located in areas considered sparsely populated, i.e. with a population density below 12.5 inhabitants per square kilometre.

39% of the farmers surveyed say they implement training or education measures for workers (or in the community) and 19% recruit people at risk of exclusion.

How does the fight for a fairer supply chain fit in with global goals?



Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

8 DECENT WORK AND ECONOMIC GROWTH

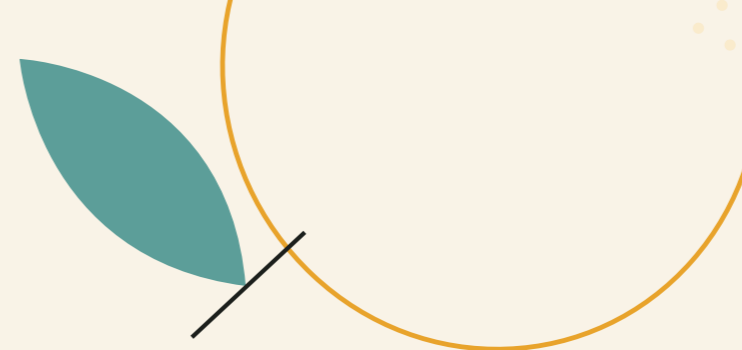


The agricultural industry generates the largest number of jobs. However, rural inhabitants produce 80% of the world's food but account for 80% of global poverty.

(FAO, 2022).

This is why economic development has to start with progress in the agricultural industry: sustainable agriculture has a positive impact on local economies, fosters the circulation of resources, and reduces dependence on external inputs, among other aspects.

Here are some of the stories that filled us with pride in 2022



Paco Palomillo: A crisis that ended in the winery

Product: Wine
Organic
Country: Spain
1254 bottles shipped via CrowdFarming in 2022

Twists of fate... his surname's actually Parra, but everyone in the village knows him as Palomillo. In the financial crisis that battered Spain in 2008, he decided to make a lifelong dream come true – to have his own winery in an unpopulated area of Almería and give work to his loved ones. He also decided to do it organically, because 'that's how it's always been done'. Thanks to CrowdFarming, Paco says that he was able to take the leap to consolidate the project and, after so much hard work, send wine directly to customers across Europe.

Pepe and Javier: A most exotic retirement and graduation

Product: Papayas, passion fruit and dragon fruit
Organic
Country: Spain
39 tonnes shipped via CrowdFarming in 2022

Pepe – the grandfather – moved to the countryside after retiring and, afraid of getting bored, set up his own little farm. Javier – the grandson – decided to accompany his grandfather on an adventure at the age of eighteen. Today, they grow papayas, passion fruit and dragon fruit on their farm. Pepe wanted his customers to eat his fruit the way he likes to eat it, so he decided to grow it organically from the outset. By selling through CrowdFarming, the fruit also arrives fresh.

Bertrand and Loïc: Taking risks from generation to generation

Product: Citrus fruits, avocados, mangos, passion fruits and lychees
Converting to organic
Country: France
72 tonnes shipped via CrowdFarming in 2022

Bertrand De La Taste took the huge risk of converting his entire farm to organic in 2007 and parting with the cooperative that he had worked with until then. It worked! Following in his footsteps, his children took the risk of producing tropical fruits in Corsica, the 'Island of Beauty'. This worked too! In fact, the production of avocados in Corsica started thirty years ago, but at the time it wasn't a popular fruit. The organic variety was even less so. For Loïc, joining CrowdFarming is about thinking ahead, and the best way to share his love of farming and his beautiful island home with the entire CrowdFarmer community.

Johannes Grenzebach: Growing a South American product organically in the heart of Germany

Product: Quinoa
Organic and converting to organic
Country: Germany
4 tonnes shipped via CrowdFarming in 2022

Quinoa is a very resilient food that adapts well to the climate changes taking place in Germany, with dry and hot summers. This is why Johannes decided to grow quinoa in Germany, offering a local alternative to quinoa imported from South America. Not only did he successfully complete his conversion to organic with CrowdFarming in 2022, but he also received awards such as the German state of Hesse's Qualileo Gold in Sustainability and Bronze in Exotic. Johannes says that next season we'll see new projects like this join his organic quinoa!

Here are some of the stories that filled us with pride in 2022



Catherine Zanev: Back to her roots in Bulgaria to buy a farm and turn it into regenerative agriculture

Product: Cherries, quince, jam and garlic.

Organic

Country: Bulgaria

662 kg shipped via CrowdFarming in 2022

Catherine grew up in Germany and after travelling the world and working for the UN in New York, she made the decision to go back to Bulgaria where her grandfather owned a farm. She worked with various institutions on sustainable and regenerative agriculture and launched a learning centre for youth. Her farm is now considered the most modern in Bulgaria. Catherine says that CrowdFarming has allowed her to follow this path alongside people who not only consume her products, but also care about how and why she makes them. 'What's more', she adds, 'it also gives us access to more people who want and are able to pay a fair price for high-quality sustainable products, as unfortunately the market isn't large enough for these products in Bulgaria.'



Björn Szeghedi y Dirk Weikert: A wild bee protection centre that teaches children about beekeeping

Product: Honey

Organic

Country: Germany

3 tonnes shipped via CrowdFarming in 2022

One day, Björn Szeghedi and Dirk Weikert wondered what it would be like if they could actively contribute to protecting wild bees, draw attention to their situation, and appreciate the environment around them by producing organic honey. They now run a non-profit organisation where all proceeds from the sale of honey and mead go to wild bee protection projects and schemes to teach schoolchildren how to protect wild bees and engage in beekeeping. 'We believe that CrowdFarming gives us the opportunity to find lots of new followers of our project and people who want to enjoy our honey', the two friends say.



Angelo y Renato Gibilisco: A family tradition passed down from father to son

Product: Oranges, mandarins, lemons and grapefruits

Organic

Country: Italy

365 tonnes shipped via CrowdFarming in 2022

28-year-old Renato Gibilisco is continuing the tradition of his father Angelo, who has always been in love with the fields and specifically with citrus fruits, as well as healthy, honest and sustainable farming that takes new generations and the environment into account. Together with CrowdFarming, last year they started all the paperwork to get Demeter certification, while also following a course on regenerative agriculture! 'I've been surrounded by oranges and lemons since I was a little boy, when my dad would take me out into the fields. I still want to explore, learn and develop new projects', says Renato.





Awards and recognitions that our farmers have received

Two of our German farmers won the Ceres Award for Best Farmer of the Year

Sönke Strampe from Sönkes Biohof in the Best Organic Farmer category and Manuela Holtmann from Vulkanhof in the Best Entrepreneur category.

Maria and Gerald, from B&B Raritäten in southwestern Styria (Austria), were awarded the SPI-assessed logo for the organic sustainability of their Styrian PGI pumpkin seed oil.

L'étuverie received the Éco-défis label for implementing specific actions to reduce their environmental impact, such as using production waste (garlic skin, in their case) and using environmentally friendly packaging, which includes a fibre label made from recycled cane.

Manuela Holtmann



Sönke Strampe



Maria and Gerald



Nicolás



2.2

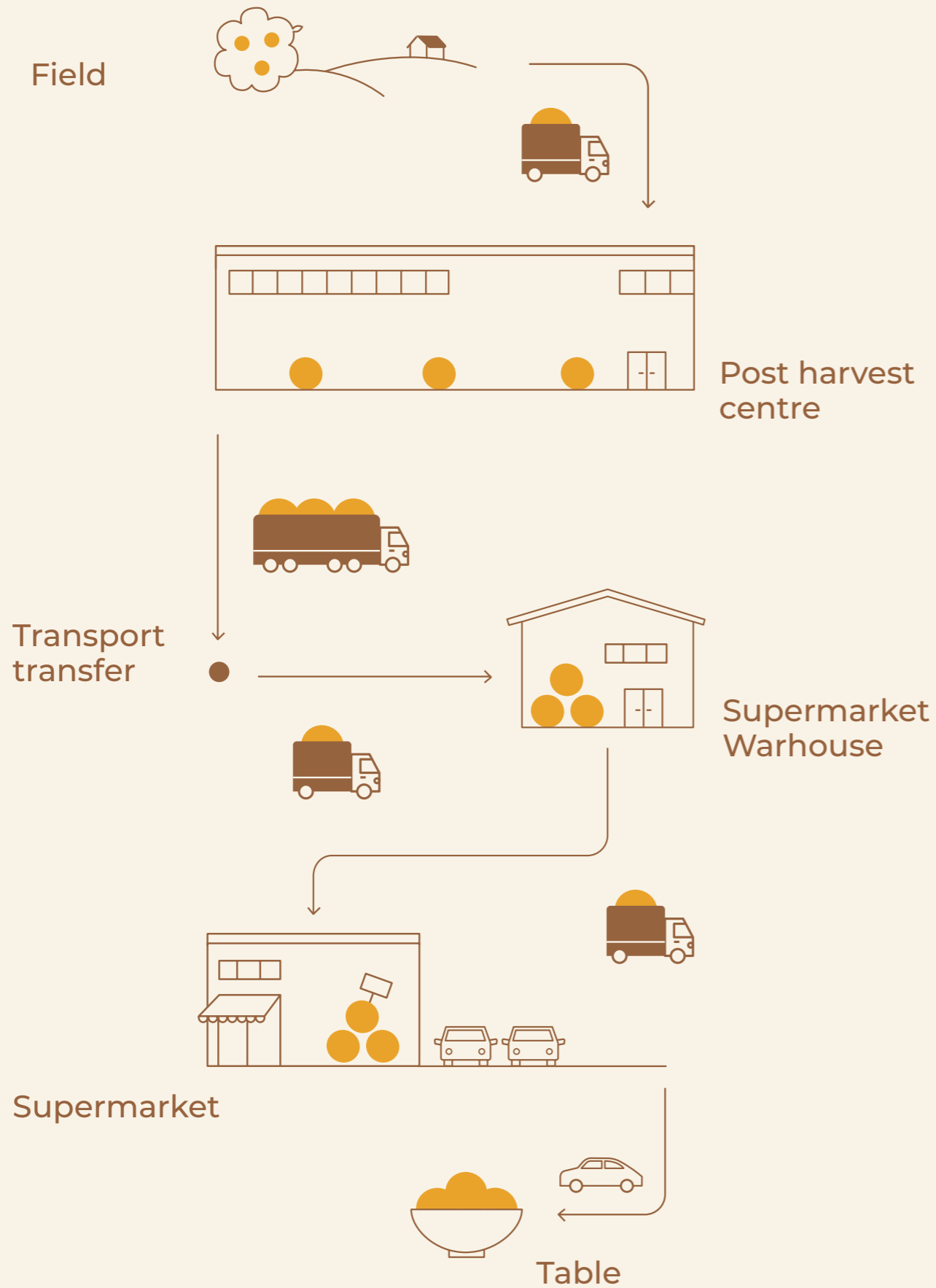
Efficiency as a mantra: the environment wins

At a time when the word sustainability is so wide-ranging that it runs the risk of being misconstrued, we turn to efficiency to describe what we aspire to in terms of a fair and sustainable agri-food supply chain.

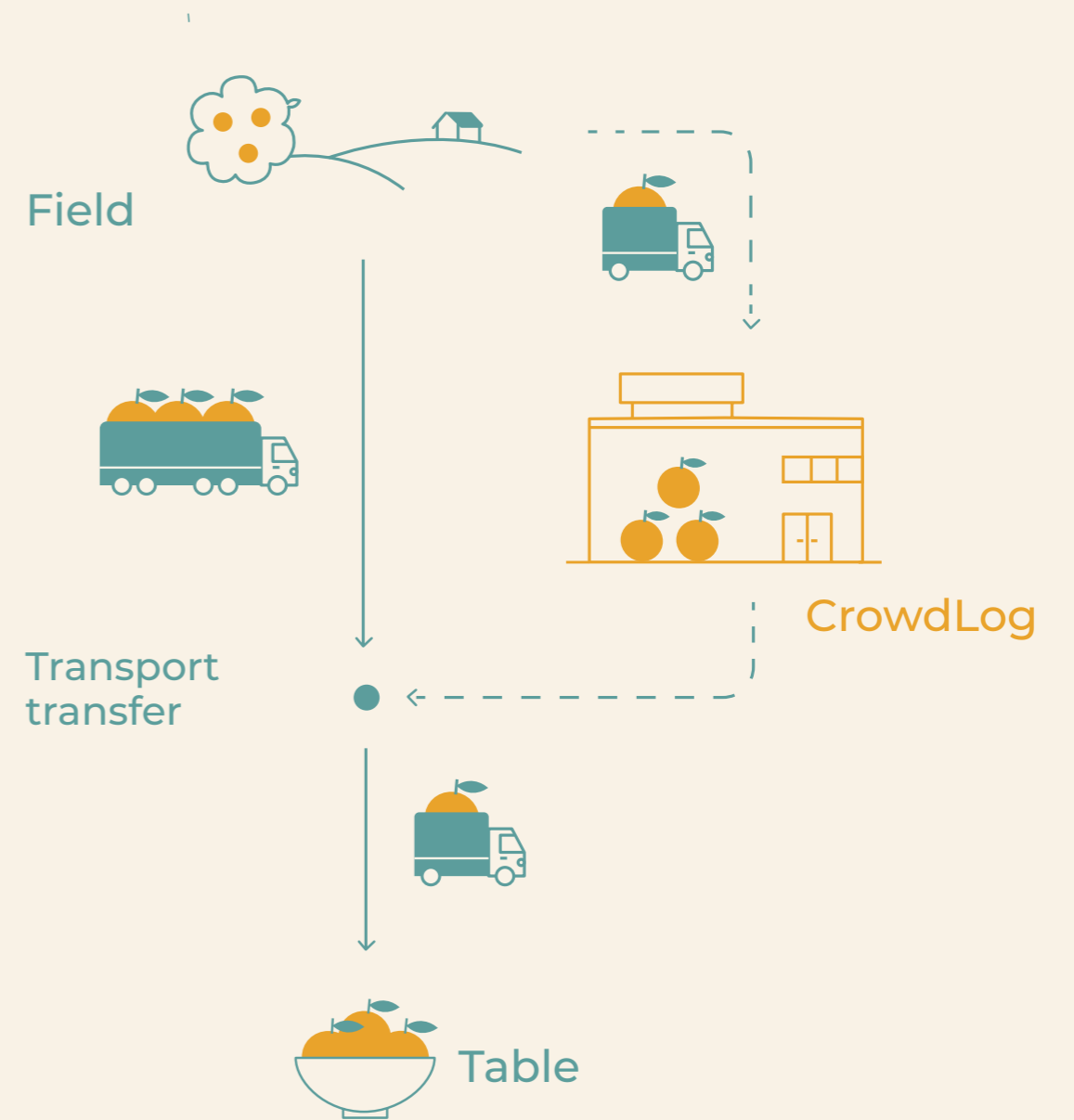
We're talking about producing the same thing, what we need and nothing more, with fewer resources. For a long time, we believed that resources – fossil fuels, water, and even the biodiversity that surrounds us – were infinite. Resources to be used as we pleased without any consequences, but there were consequences and they're already starting to take their toll on us.

CrowdFarming pursues efficiency from field to fork – let's stop wasting resources as if the only cost that matters is the economic one.

Traditional chain



CrowdFarming



2.2.1

The source of everything: The farm

The lack of efficiency on farms can be linked with two key structural challenges: food waste and agriculture that threatens biodiversity.

Food is massively overproduced to compensate for the waste that appears in all stages of the supply chain.

Especially in the case of fruit and vegetables (as they're very cheap compared to other products), food waste is disparaged due to its low economic cost, in favour of aesthetic requirements or a response to market fluctuations. In other words, the traditional chain can afford to lose 20–30% of production in exchange for having the fruits and vegetables we want any day and at any time of the year, without aesthetic imperfections, and at a very low price.

Who can't afford this?

Producers. They invest more into producing than they will often sell, and for prices that may not cover their costs. Plus, of course, the environment pays the toll for this, as we use its resources pointlessly.

Food waste in the European Union in 2020 reached almost 57 million tonnes.

(Eurostat, 2022).

In 2022, 58% of food waste generated in Europe was in primary production.

(EPRS, 2022)

It is estimated that 2.1 billion tonnes of food will be lost or wasted by 2030. That equates to \$1.5 trillion in wasted value, putting food waste in the top 7% of global economies, relative to GDP. If food waste were a country, it would be the world's third-largest emitter of greenhouse gases.

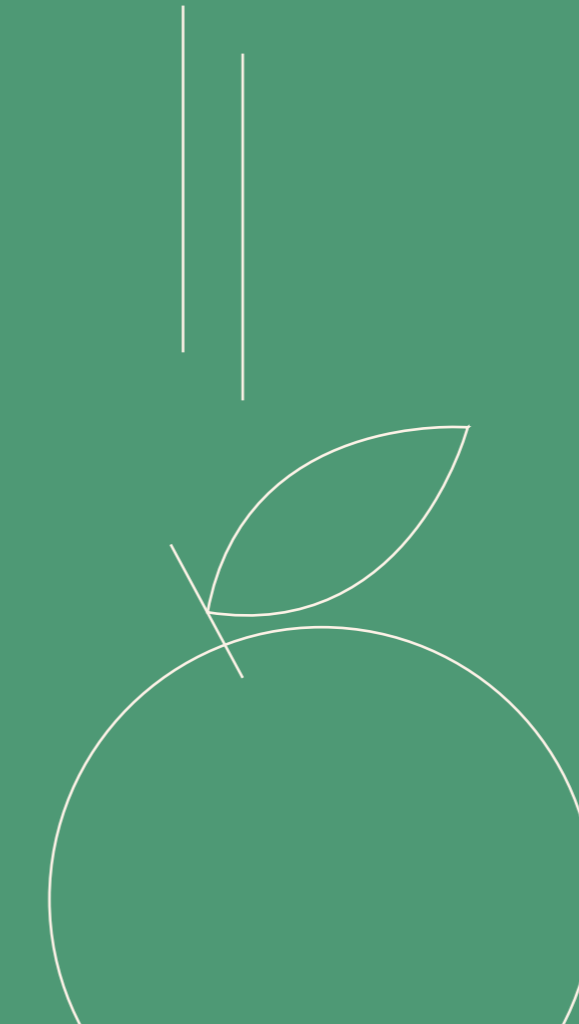
(BCG, 2023).

38% of total energy consumption for food production is used to produce food that is lost or wasted.

(FAO, 2013)

Fruits and vegetables alone account for about half of all food loss or waste each year. Overproduction is more common in high-income countries

(BCG, 2023).



Let's take the case of oranges to understand the challenge of food waste...

According to a study by the Joint Research Centre (JRC) – the European Commission's science and knowledge development service – for 10 kg of oranges to reach a consumer's home, 13 kg need to be produced, or 30% more, which means 30% more resources used in their cultivation, harvest and transport (JRC, 2017). This isn't counting the losses that occur on farms for products that never get harvested due to low market prices, which are hardly ever reflected as they're not even counted as production.

Thanks to a study we carried out in 2022 specifically with CrowdFarming oranges, we know that approximately 3% more needed to be produced than the actual weight that reaches the CrowdFarmer's home, either because they weren't in a good condition to be transported due to rotting or because they got damaged en route and CrowdFarmers notified us. In other words, 103 kg of oranges need to be produced for 100 kg to arrive in perfect condition at our CrowdFarmers' homes.

What does CrowdFarming do to prevent food waste?



Because the farmer sets their own price and plans their harvest through adoptions, the amount of unharvested and wasted production is reduced.



The only oranges discarded are the ones that can't withstand the transport conditions and could contaminate the rest of the shipment. Crucially, products are never discarded for aesthetic reasons. Beside all this, we also try to reuse unshippable products to prepare jams, juices or chutneys, which also optimises the farmer's income.



What's more, after analysing an organic orange farm that ships its produce through CrowdFarming, **we saw that its yield is 30 tonnes per hectare compared with averages of other studies that vary between 22 and 24 tonnes per hectare.** So, where does the difference come from? We believe that oranges that were never harvested are part of the mystery. The sale price in the traditional chain can go so low that it's not worth farmers even harvesting the product. As a result, they leave it unharvested, so it doesn't add to their financial results.

Since working with CrowdFarming, producers have said that*...

Producers who claim to have seen the greatest reduction in food waste since they've been selling via CrowdFarming are mainly those belonging to the citrus and tropical fruit categories.

For citrus fruit:

69,23%

of producers say that food waste on their farm has been reduced



For tropical fruit:

61,54%

of producers say that food waste on their farm has been reduced



We estimate that, for citrus fruit alone, we've saved more than 1,000 tonnes in food waste: the 30% generated in the traditional chain minus the 3% that can be generated on CrowdFarming.

We estimate that we've saved the waste of around 550 tonnes of other perishable foods outside the citrus category that would have been generated in the traditional chain.

We've taken into account that 11% of the total food waste produced before reaching the consumer is generated, according to generic data from the European Union – which could shoot up in the case of fruit and vegetables (European Commission, 2020) – and, if we take the data extracted from the citrus farm study conducted in 2022, CrowdFarming can generate up to 3%.



Let's stop working against Mother Nature – she'll do her thing regardless – and let's work alongside her instead

In a context where the difference between fruits and vegetables is reduced to nothing more than price and in an increasingly competitive scenario, among other issues, due to imports from the southern hemisphere at very low prices, many producers are forced to take one of two ways out.

They can increase their production volume at any cost, especially at any environmental and social cost, or they can just give up farming. One of the main ways to increase production is by using pesticides, herbicides and synthetic fertilisers, which are harmful to the environment and potentially (there's still a lot of debate on the subject) harmful to the health of workers and communities around farms.

At a European Union level, the main aim is to reduce the risks and impact of pesticide use on human health and the environment. One of the concrete targets in the EU Farm to Fork Strategy is now to reduce the use and risk of chemical pesticides by 50%.



Sales of pesticides in the EU fluctuated $\pm 6\%$ at around 350,000 tonnes per year during the period between 2011 and 2020

(Eurostat, 2022)

One of the main reasons for introducing this regulation is to combat the general decline in biodiversity, which is occurring faster than at any time in history

(United Nations, 2019)

The total area devoted to agriculture in the EU is 157 million hectares, about 40% of its total area.

During the European Green Congress 2022, held in Bordeaux, France, green policy consultant, Nic Lampkin, demonstrated that if the EU reaches its Farm to Fork target of 25% certified organic farmland by 2030, there would be 25 million more hectares of organic land than in 2022. Nevertheless, he pointed out that if the current (linear) growth trend continues, only 14% of organic land would be reached in 2030, a very significant deficit in percentage terms.

(Lampkin, 2022)



At CrowdFarming, we support farmers in the process of converting to organic

If we want to achieve the objectives set by the European Union, we need to support farmers who decide to opt for organic farming.

We don't want to be too simplistic: pesticides, herbicides and synthetic fertilisers are used because getting rid of them isn't easy, especially in the conversion process. In most cases, farmers don't receive organic certification until three years after they stop using synthetic chemicals to protect and nourish their crops. That's why we at CrowdFarming want to raise awareness of this situation, and offer products that are in conversion, ensuring that we make these farmers' efforts worthwhile.

The results

We support converting to organic

29 producers

converting to organic and selling via CrowdFarming, a total of 853.68 hectares

20,5% of sales

made via CrowdFarming are from farms converting to organic

5 producers

completed their conversion to organic with us in 2022

1460.8 tonnes

of products converting to organic were shipped in 2022

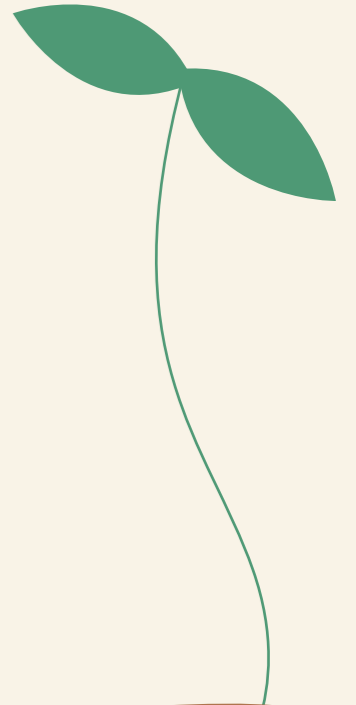
The main volume of shipments via CrowdFarming is still organic

78% of sales

made via CrowdFarming are organic. More than 6,000 tonnes of organic products were shipped in 2022 alone

The use of + than 1,84 tonnes

of pesticides was avoided thanks to the pesticide-free production of all products sold via CrowdFarming



We believe we need to go further – our vision for regenerative agriculture

In a market where the goal has long been high productivity at low prices, everything was focused on this approach. Years of selecting the most productive varieties and using all the chemicals needed to produce them at their maximum capacity have reduced biodiversity on all levels, resulting in fewer varieties of products and fewer organisms in the soil responsible for nourishing plants and the ecosystems they grow in.

Experts estimate that the rapid loss of species we are seeing today is between 1,000 and 10,000 times higher than the natural extinction rate. This means that between 0.01% and 0.1% of all species will become extinct each year (WWF, 2020). More than 42,100 species are threatened with extinction. In other words, 28% of the total species assessed to date are threatened (IUCN 2022).

At CrowdFarming, we like to use nature to our advantage to grow food instead of continuing to ignore its warning signs. Protecting biodiversity will boost our ecosystems' resilience and, with it, the resilience of our food chain.



'Biodiversity is critical for safeguarding global food security, underpinning healthy and nutritious diets, improving rural livelihoods, and enhancing the resilience of people and communities. We need to use biodiversity in a sustainable way so that we can better respond to rising climate challenges and produce food in a way that doesn't harm our environment.'

José Graziano da Silva (Director-General of FAO in 2019)

Organic farming practices encourage an average increase of 34% in biodiversity at different levels: from microbial biodiversity to plant and animal, particularly insects and birds.

(Lynch et al., 2012; Reganold & Wachter, 2016; Tuck et al., 2014)

There's a clear relationship between high biodiversity and a series of services that an ecosystem can benefit from, facilitating its proper functioning and stability. Some of the most notable are the pollination of fruit trees, water quality control, pest control, or storage of organic carbon and other nutrients in the soil that allow crops to grow healthily.

(Smith et al., 2019; Smukler et al., 2010; Young-Mathews et al., 2010)

On this note, the United Nations confirms that a better use of agricultural biodiversity can contribute to more nutritious diets, improve livelihoods in rural communities, and help make agricultural systems more resilient as well as sustainable.

(United Nations, 2015)

What does CrowdFarming do to foster biodiversity?



We believe that converting to organic is a great first step, but we're aware that there's much more work to do. We have the responsibility – and the opportunity – to foster regenerative agriculture. We support courageous regenerative farmers who take the first steps mainly out of personal conviction, at a time when demand and financing for regenerative products is virtually non-existent.

Regenerative agriculture is a holistic approach that focuses on soil health as the key foundation of the entire agricultural ecosystem. In other words, an agricultural system that fosters biodiversity and the resilience of crops and the soil in which they are grown. Instead of relying on synthetic chemicals and intensive farming techniques, which can negatively affect the system's natural resources and biodiversity, regenerative agriculture is based on natural practices such as crop rotation, composting, soil cover and controlled grazing.

These practices improve soil health, increase its ability to retain water, carbon and nutrients, and reduce erosion (Boyabatlı et al., 2019; de Faccio Carvalho et al., 2010; Kaspar & Singer, 2015; Martínez-Blanco et al., 2013). We believe that this approach is vital for the future of agriculture in Europe.

There are seven producers on CrowdFarming that we consider regenerative – three of them are in Spain, and the rest are in Germany, France and Italy. How do we identify regenerative producers on CrowdFarming?

- 1** They have organic certification: for us, being organic is the first step towards regenerating biodiversity and an official guarantee that the basic requirements are met to move towards a different agricultural model
- 2** They collaborate: they receive training, follow-up or monitoring with a regenerative agriculture organisation or have a certification that verifies the implementation of other sustainable practices that are even more stringent than organic certification
- 3** Our team of agronomists have visited the farm and verified that at least three regenerative techniques are being implemented, including minimum tillage, retention of plant and pruning remains, and the viable use of plant covers throughout the year.

Every time we come across one of these producers, or the associations they work with, we're reminded why we're here and how important it is to convey their story to thousands of consumers across Europe.

The good news is that, after listening to our producers through the annual survey, we saw that more than half say that they already use regenerative techniques. Out of these, half say that regenerative agriculture is already highly integrated into their farm. There's still a lot of potential to discover and encourage!

The results

195 tonnes of regenerative products were sold via the platform in 2022.

We spoke to more than ten organisations in Europe tasked with training and monitoring farmers in regenerative practices to learn about their point of view, discover their approach and find opportunities for partnership.



What lies ahead...

Next year, we want to keep discovering and sharing, but we also want this change to come from within. We'll partner with experts to train producers who are already part of CrowdFarming and monitor the results of this on the soil and its water retention and biodiversity, in order to convince more producers to follow that path and more CrowdFarmers to opt in for this type of product.

2.2.2

On the move: The journey

We've already talked about food waste in the traditional supply chain, which makes it necessary not only to produce, but also to transport many more products than are actually consumed.

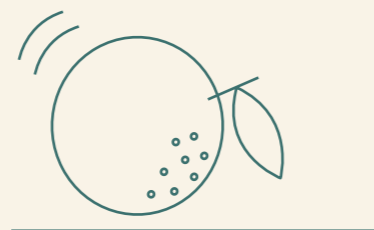
Now let's focus on the mileage. Many sources of information about carbon footprints show that the real impact on emissions stems more from diet than food sources. What's more, transport 'alone' accounts for up to 12% of the carbon footprint of what you eat. (FCRN, 2016)

We don't want to hide behind these statements – there's a lot of truth in them – but we do want to face the facts: distance does matter. These estimates include both plant-based and animal products, as well as taking shorter shipping distances into account.

When the production phase is reduced because they're plant-based products and the distance increases because they're regional shipments, although the carbon footprint per kilogram is still much lower than animal products, the proportion related to transport increases in comparison to production (Ritchie & Roser, 2022).

Let's just say we can't compare a kilo of beef with a kilo of oranges when the meat's carbon footprint is more than a hundred times bigger.

Let's go back to the case of Valencian oranges transported to Berlin.



Let's go back to the case of Valencian oranges transported to Berlin.



CrowdFarming

Carbon footprint of 1 kg of orange:

0.739 kgCO₂



Traditional chain

Carbon footprint of 1 kg of oranges

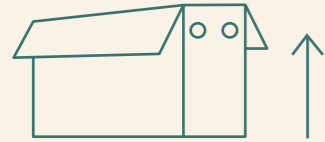
0.949 kgCO₂

In both cases studied, transport accounts for around **65%** of their carbon footprint.

What does CrowdFarming do to address the impact of transport?

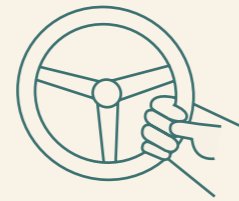
We're not the type to simply settle for facts like that, or that the carbon footprint of fresh plant-based products is much lower than other foods.

That's why we're taking steps to reduce our shipments' carbon footprint in two main ways:



Maximising shipments

We plan them so that lorries always travel at over 90% of their capacity.



Relay transport

Companies like Trucksters mean that our products can always be on the move thanks to relays between drivers. This also improves their quality of life, as each driver is only responsible for part of the journey and doesn't have to drive for days without going home. The total mileage covered is the same, but the cooling time is significantly reduced. Sixty-seven full lorries were shipped using relays in 2022.

Last-mile alternatives

Whenever we can, we look for last-mile carriers that offer us more sustainable alternatives, such as electric delivery. In Germany, at least 25% of our shipments are delivered by electric vehicles. As a last resort against reduction, we pay an extra price so that our shipments' footprint is offset. Of CrowdFarming's total last-mile shipments, 65% are offset. In other words, close to 300 tonnes of CO₂ offset in 2022 (an average of 0.3 kg/CO₂ per shipment).

The combination of these two initiatives reduces the carbon footprint of our transport by 15%, from 0.45 to 0.39 kg CO₂ per kilo of oranges in CrowdFarming's case. Considering that in 2022 we shipped more than 3,500 tonnes of citrus fruit from Spain, if all our citrus fruit travelled this way (and this is what we aspire to), we'd save up to 1,365 tonnes of CO₂ per year. This equates to 650 people travelling back and forth by plane from Berlin to New York!



2.2.3

Stops along the way: Logistics hubs

One of the most important differences between CrowdFarming and the traditional chain is to do with the stops made along the way – and the time that the product isn't on the move. If the product, specifically a fresh product, isn't on the tree (or plant), it's consuming energy. Most of the fresh products you know need artificial methods such as storage chambers or waxes to retain their properties over long periods of time.



As we mentioned earlier, tailoring a farm's operations to direct selling is no mean feat, even if there are plenty of benefits.

In the case of Spanish producers in Southern and Eastern Spain, CrowdLog means that these producers don't have to worry about labelling and packaging processes, or the pressure posed by the current macroeconomic context regarding the purchase of inputs, for example with cardboard box suppliers. There's a maximum number of shipments that a producer can send from their farm, especially for small and medium-sized farms, so setting up an organic farm for direct selling was a huge barrier... until now.

That's why we decided to create CrowdLog, a logistics hub in Valencia designed to enhance the experience and variety we offer to CrowdFarmers without increasing pressure on the farmer, who can expand the sales volume up to the year's harvest and not to the number of shipments that they can manage from their farm.

What's more, we can increase the quality control on our shipments and guarantee the right balance between minimising the impact of the packaging used and ensuring the protection of the food sent so that it doesn't end up as waste.

What about jobs? Packaging, like harvesting, is a job highly focused on the time of year when shipments are sent out. We really pondered this decision, and after one year in operation, we still think it's the right one. By receiving CrowdLog products from different farms that are harvested at different times of the year, we can generate a more stable source of employment for the area, Museros, a village near Valencia. Crowdlog generates almost 30 jobs throughout the year.

In turn, the flexibility that this gives the producer means they can use and develop their operations on the farm in other aspects, such as recruiting different job profiles or implementing more sustainable practices, which sometimes involves more labour.

We're now also trying to optimise the circuits between Spanish farms and CrowdLog: CrowdFarming sends food, not air! Fruit trucks that go back and forth picking up fruit and returning empty crates to be reused travel at an average of 87% of their capacity.

What's more, CrowdLog looks for openings, either from sales to be processed or donations to local NGOs for products that we don't send because they won't withstand the trip, thereby reducing food waste while increasing the income that the producer receives. For example, 2023 will see the launch of a mango chutney created from mangos that could not be shipped.



Mango chutney

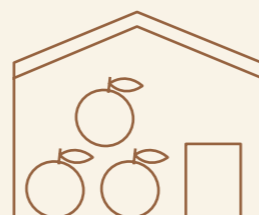


A. Logistics at the source

Traditional chain

4 - 60 days 

Post-harvest centre



What happens?

Aquí, el producto, o las naranjas, en este caso, pueden estar hasta dos meses entre el proceso de desverdizado cuando se cosechan antes de tiempo, y esperando en cámaras de refrigeración al mejor momento para sacarlas al mercado.

CrowdFarming

1 - 2 days 

The producer's farm

(products travelling from countries other than Spain)

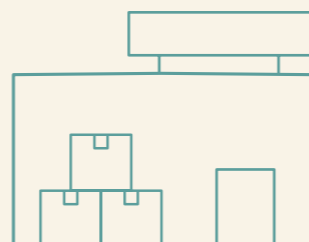


What happens?

The products go straight into the normal shipping circuit, in a quest for efficiency, as always. We have also set the goal that trucks should always travel above 90% of their capacity, and in 2022 we reached an average of 93%. If we fail to exceed this capacity with CrowdFarming producers alone, we combine our shipments with loads from other companies to make sure that the shipment is as efficient as possible.

CrowdLog

(products travelling from Spain): Our new logistics hub in Museros (Valencia) solely for packaging products.



Packaging at the logistics hub

B. Logistics in destination country

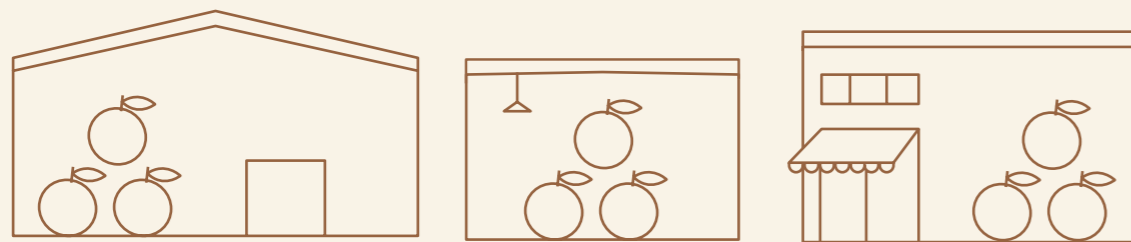
Traditional chain

2 - 14 days 

International logistics hub

Supermarket warehouses

Supermarket



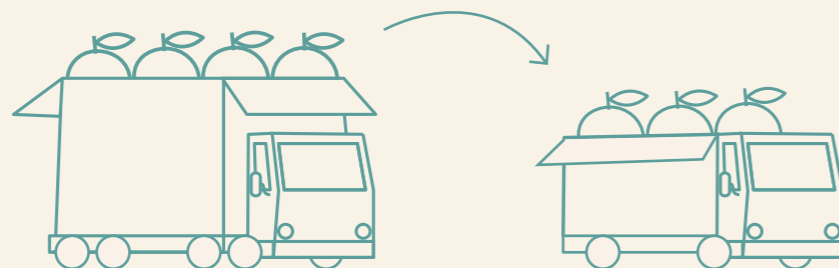
What happens?

The products enter the supermarket circuit, where they are brought to market when it meets certain aesthetic conditions, such as turning the 'right' colour, and stacked on the shelves so that no supermarket ever looks empty. We've got used to arriving at a supermarket at the end of the day and still seeing huge quantities of fresh produce on the shelves (Frankowska et al., 2019).

CrowdFarming

Less than 1 day 

Stops:
Transport transfer



What happens?

Switching from long-distance transport in big lorries to smaller vehicles for last-mile transport

This year's results

We take an average of

5.5 days

from farm to fork

We've raised the average lorry load from

91% to 93%

(30 out of 32 pallets that fit in the lorry).

76%

of shipments are made in plastic-free packaging

Of those with plastic,

22% are BPA-free

We reduced our shipping-related incidents to

2,80% from 3%

last year: there's still some way to go, but we're on the right track!

What lies ahead...

As you can see, last year we took our first steps towards quantifying the difference between the carbon footprint in a CrowdFarming shipment compared with the traditional chain, focusing on one case study (the most common within CrowdFarming) of sending citrus fruit from Valencia to Germany.

Next year, we'd like to keep quantifying our impact by understanding more specific cases, in more aspects besides the carbon footprint. We want to find more opportunities to reduce emissions at different stages of our supply chain, which now totals more than 1.5 million shipments per year.

Meanwhile, we'll continue to look for ways to reduce our footprint now that we have a notion of the aspects that affect it most: transport, cultivation and packaging.

Furthermore, in 2022 we focused on getting CrowdLog up and running. We measured its carbon emissions as a starting point to find areas for improvement and bring it closer to becoming the world's most sustainable logistics hub. The first step we took towards reduction, in summer 2022, was to make sure that 100% of our energy comes from renewable sources.

How does the fight for a fairer supply chain fit in with global goals?



Ensure healthy lives and promote well-being for everyone, at all ages



Exposure to pesticides has been linked to numerous health risks and thousands of deaths per year, with the United Nations estimating that pesticides are responsible for around 200,000 deaths by poisoning.

Organic farming prohibits the use of these chemicals.

Farmers and agricultural workers, communities living near plantations, and pregnant women and children are especially vulnerable to pesticide exposure and require special protection (UN, 2017).

Ensure sustainable consumption and production patterns



Considering that sustainable production and consumption sets out to 'do more and better with less, the well-being derived from economic activities can increase with a reduction in resource use, degradation and pollution throughout the life cycle, while also boosting quality of life.

Special attention should also be paid to the functioning of the supply chain, engaging everyone from the producer to the end consumer. This includes educating consumers about sustainable consumption and lifestyles, and providing them with adequate information (FAO, 2022).

About 14% of food produced worldwide is lost between harvesting and selling the product to the end consumer (United Nations, 2022). These losses occur during agricultural activities, transport, storage, processing and wholesale.



2.3

Knowledge is power: CrowdFarmers win

The figure of the farmer is increasingly distant from consumers' imaginations in a world where it's very difficult to access information about the food we eat, apart from the price we have to pay to take it home with us.

We're talking about information as basic as where in the world the product has been produced (Málaga or Mexico?), how many days ago it was harvested (four days or two months?), or even the type of production (organic or conventional?). In the traditional food supply chain, the product we buy can vary so drastically in terms of its condition without us as consumers knowing anything about it.

In today's world of infinite possibilities and where it seems like we've overcome the barriers of time and space, concepts like 'local' and 'seasonal' have long been forgotten. Fortunately, or thanks to the hard work of many people, this is changing.

However, we're also talking about much more complex information. Who produces it? Under which conditions? Do they get a fair price? Do they get a price that covers their costs at least? Ethics has become an important force that also guides our consumer habits. Not only do we consider our desires, but also the potential negative impact on society and the environment.

'66% of consumers worldwide are willing to pay more for products and services they consider ethical and sustainable.'

Survey by market research firm Nielsen

'As the physical and economic impacts of climate change worsen, global consumers and investors are turning to sustainable food systems. McKinsey's recent article on conscious eating shows that nearly 30% of respondents have increased their consumption of more sustainable food products since the start of the COVID-19 pandemic.'

(McKinsey & Company, 2022)

However, it seems that the market and the information it provides about its products and processes doesn't respond to consumers' thirst for information as well as for alternatives.

That said, CrowdFarming exists in the middle of tension between the modern world of multiple possibilities and increasingly important ethical issues. And in a reality where local consumption is chosen when it's a possibility and, failing that, regional products are chosen with guarantees that their production fits in with certain values.

Here at CrowdFarming, we try to make an extremely complex chain simpler. With CrowdFarming, you know who you're buying from and you know that it's the producer who sets the price. You know how they farm and what led them to dedicate their life to the fields. You know the certifications that prove what they do and you can even meet them in person. When they start collaborating with us, our 245 producers commit to opening the doors of their farms to CrowdFarmers who have adopted any of their productive units and want to meet the producer and find out about their way of agriculture first-hand. In fact, we managed 474 visits to farms in 2022 alone!

At CrowdFarming, we aim to be Europe's most trusted organic food supplier, and more and more CrowdFarmers are choosing us too.



Mara Ferrez, farmer of the Alhambra Tropical farm in Granada, Spain.

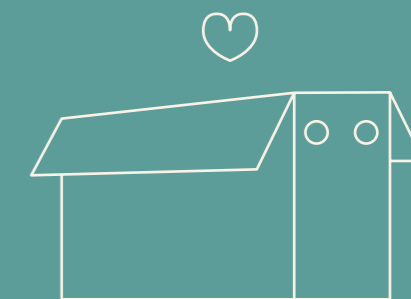


Diana Rivero, CrowdFarmer in Madrid, Spain.



We ended 2022 with **267,619 active adoptions**

almost 40% more than in 2021!



More than **1,5 million orders**

were shipped to more than 30 countries



We have an NPS (net promoter score) of

65,98 points

and a result of 4.2 on Trustpilot

307,395 CrowdFarmers

made at least one purchase throughout the year

An average **61,452 CrowdFarmers**

buy from us every month



What did we do last year to enhance the CrowdFarmer experience?



We listened to our CrowdFarmers even more

In addition to the CrowdFarmer Service team (our huge multilingual team that listens, shares the CrowdFarming philosophy, and clears up questions and issues for CrowdFarmers), we formed a team that focuses exclusively on understanding what's important and what they need to enhance their experience whilst knowing what is important to them. The more people who join our agri-food revolution, the more impact we'll have.

Getting to know our CrowdFarmers better means we can offer them more possibilities to buy straight from the farmer: the option of group orders; slightly smaller box formats; mixed boxes; or even giving an adoption as a gift to someone.



We're looking for more ways to bring reality from farm to fork

We fall in love with every project that joins CrowdFarming and sometimes it's hard to make so much information from so many producers digestible for our CrowdFarmers.

We're working to make the journey of discovering each producer easier by enhancing the visibility of our seals and web filters.

Nonetheless, the relationship between producer and CrowdFarmer doesn't end with a purchase or adoption. Producers – along with our teams of agronomists – are our eyes and our ears out in the fields. They tell us what's happening so that we can showcase their work to CrowdFarmers among our community and raise awareness about their reality.

We send CrowdFarmers news about the farms where they have adoptions, telling them about what point their productive unit is at (flowering, bearing fruit, etc.) and including messages that the producer wants to give them, such as awards received, challenges and difficult decisions, new additions, or even weddings!

Of course, a new conversion to organic is cause for celebration and so we let CrowdFarmers know that they have supported the producer on their way to becoming organic. Last year, we shared this good news five times.

Our CrowdFarmer Service team dealt with 149,237 tickets, closing them in less than six days on average.

We're aware that we deal with complex issues and we tackle them with respect and an open mind

In addition to our blog, last year we launched the podcast What the Field?! In it, we invite experts in different areas related to the agri-food supply chain to talk about topics as wide-ranging as the Mediterranean diet, food waste, and fires.

We also invite some of our producers to tell us personally about their experience. It's a great opportunity to put our beliefs to the test and learn from people who spend their lives studying a small part of all the complexity that ranges from production and distribution to food consumption.



Finally, we'd like to give a special welcome to the new CrowdFarmers of 2022

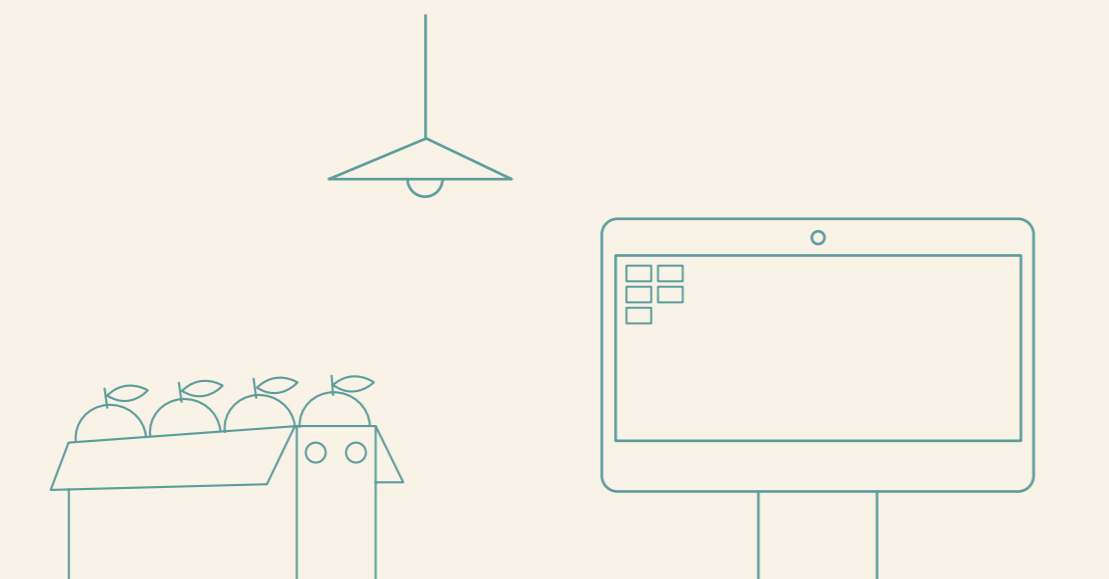
Companies also join the CrowdFarmers community

We struggled with the fact that every day we were reaching more households, but that thousands of companies were still purchasing via traditional channels. We believe that more and more companies, just like the employees working in them, are taking responsibility for the impact of their purchases. The pressure is huge. It comes from within, with a generation that also looks for values that guide their life in the workplace, but it can also be felt from outside. Scrutiny is on the up.

Let's face it, we understand that offering direct buying from European producers to companies and employees doesn't replace the need for an in-depth impact plan, but we do believe in the power of sowing a seed that catalyses everyone who hears our story to think about the impact their daily habits have.

Adopting productive units on CrowdFarming creates a virtual company farm. Thanks to this, employees can see the impact they're having together by receiving organic fruit directly from European producers, while also learning about aspects like jobs, food waste, and how many pesticides are being avoided.

Last year, we delivered fresh, organic fruit from European producers to more than fifty companies – fifty virtual farms that show the joint impact of their adoptions – resulting in more than 7,000 people joining our CrowdFarmer community!



Farmers and CrowdFarmers join forces to deliver fresh and organic produce to Ukrainian refugees

The idea of CrowdGiving on CrowdFarming came about during the COVID-19 crisis. How could we lend our support? This is how we decided that the best way to act was to leverage our strengths – a network of European producers, a community of farmers, and efficient logistics – to send fresh and quality produce wherever it was needed.

It wasn't until March 2022 that we made this idea a reality by lending our support to organisations in Poland that were providing food to the waves of refugees flooding in from Ukraine.

Through the CrowdGiving initiative, CrowdFarmers can collaborate by buying pre-selected products through the NGO. The producer continues to receive their share, and CrowdFarming takes care of managing the shipment and financing the logistics costs.



The impact of CrowdGiving in 2022



245
tonnes

of organic produce shipped since March 2022



3

organisations

que trabajan con refugiados de Ucrania recepcionando el producto: **SOS Food Bank in Warsaw, World Central Kitchen y Caritas Leżajsk**



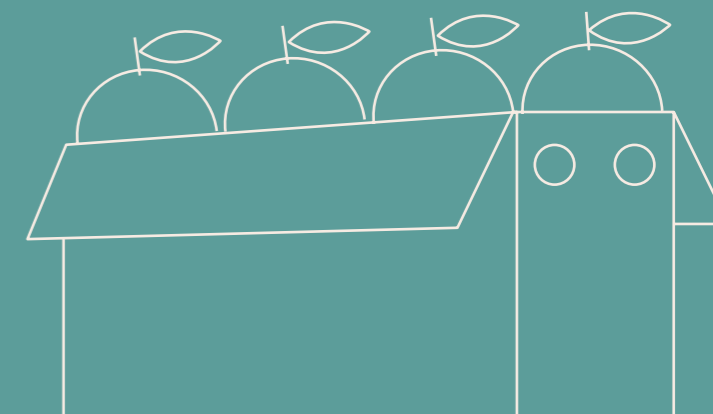
15

European farmers

received a fair price for their harvest

Even so, we want to go further

Over this coming year, we will continue to launch specific campaigns for causes that the CrowdFarming community decides to support. Nevertheless, we're also working on expanding CrowdGiving's reach to new countries and beyond emergency circumstances.



How does the fight for a fairer supply chain fit in with global goals?



End hunger, achieve food security and improved nutrition, and promote sustainable agriculture



Organic and sustainable crops, like the farms that sell via CrowdFarming, promote a radical change in the conventional cultivation model towards more environmentally friendly results, while ensuring food security.

(United Nations, 2015)

In addition, the CrowdFarming model is fully aligned with the FAO Strategic Framework 2022–31, which seeks to support the 2030 Agenda through the transformation to more efficient, inclusive, resilient and sustainable agri-food systems for:



Better production

Ensure sustainable consumption and production patterns through efficient and inclusive food and agriculture supply chains at a local, regional and global level, ensuring resilient and sustainable agri-food systems in a changing climate and environment.

Better nutrition

End hunger, achieve food security and improve nutrition in all its forms, including promoting nutritious food and increasing access to healthy diets.

Better environment

Protect, restore and promote sustainable use of terrestrial and marine ecosystems and combat climate change (reduce, reuse, recycle, residual management) through more efficient, inclusive, resilient and sustainable agri-food systems.

Better life

Promote inclusive economic growth by reducing inequalities (urban/rural areas, rich/poor countries, men/women).



2.4

CrowdFarming as part of an ecosystem

The most important thing about CrowdFarming is our community of producers and CrowdFarmers, which – as we saw above – also includes companies and NGOs. Without our community, we wouldn't exist. And we're more than aware that we can't carry out this revolution of the agri-food chain by ourselves.

In a context where the agri-food supply chain is completely broken, choking producers and damaging the environment, our role goes far beyond facilitating direct selling.

We have a responsibility and commitment to reinvent the way we produce, the way we buy, and the way we connect these two. And that involves many different players, investment, knowledge creation, trust-building through measurement and certification, logistics, all-round efforts and alignment towards a common goal, and sustainability.

Collaboration – including not only 'doing business', but also sharing, learning and debating – helps us understand and appreciate the efforts that others are making. We want to hear what others have to say.

To celebrate this ecosystem and foster this collaboration, The Green Set, CrowdFarming's first sustainability event, took place in 2022. It was a small-scale event, but open to the world – everything that happened was shared on our YouTube channel, where we wanted the guests from different industries to network in a different way and, judging by their words, we pulled it off!

'It's the kind of event that recharges you with hope, positive energy and new powerful relationships. It's not like the topics we talked about are easy and fun, but we were sharing a common mission and dealt with how to accomplish it together and in a constructive way.' ”



'It's the kind of event that recharges you with hope, positive energy and new powerful relationships. It's not like the topics we talked about are easy and fun, but we were sharing a common mission and dealt with how to accomplish it together and in a constructive way.'

Marion Schuppe - Impact Investment en Makesense

'I always try to learn from everything I do, and at The Green Set I learnt that there are even more people committed to real change than I'd thought. It was very stimulating to feel it and touch it with my hands.'

José Gonzalez - Ecocert



What's more, we're carrying out the B Corp certification process, as we believe it's very healthy to follow global standards, in terms of geographies, but also industries, and learn from the process. What could we improve that we're not seeing?

Being fairer and more sustainable every day also guides us internally

To conclude with our ecosystem, it's our people who work hard every day to make CrowdFarming a real alternative to a broken supply chain and to create a better everyday experience in which everyone wins: producers, CrowdFarmers and the environment.



We ended the year with 50 new employees,

making a total of 148 at CrowdFarming between Spain (Madrid, Valencia and Málaga), Germany, France and Italy, in addition to the 42 people who work at CrowdLog.

In December 2022, more than 98% of the workforce

had a fixed-term contract: in line with our values, especially sustainability, including in the professional sphere.

At CrowdFarming, we've got a strong culture of learning

That's why we also welcomed four interns over the course of the year, three of whom are now on a fixed-term contract with us.

Our staff is made up of 55% women and 45% men,

whose ages range between 23 and 49, with the average age being 32.65 years.

17 nationalities

work at CrowdFarming (German, Austrian, Spanish, Italian, French, British, American, Brazilian, Mexican, Venezuelan, Canadian, Finnish, Belgian, Colombian, Ecuadorian, Portuguese and Swedish), which gives us huge cultural and geographical diversity. We know that diversity enriches us, which is why we are committed to an inclusive culture, favouring diversity in our workplace.

We encourage mobility between departments,

there have been 13 job changes this year.

Other news about our employees and what they experienced over the course of the year...

In 2022, 31 people benefited from the financial support that CrowdFarming offers for training,

38 people signed up for language courses, and 49 enjoyed medical benefits partially funded by CrowdFarming.

After more than 90% of our workforce accepted the proposal to improve work-life balance, as of 2023 we'll be reorganising our working hours seasonally, introducing

an intensive timetable in summer to increase flexibility.

We enjoyed CrowdFarming products with welcome boxes,

Christmas hampers and birthday presents, as well as every day in the office with fruit, vegetables and the 168 kg of coffee we drank!

Welcome to the CrowdFarming family!

Two people got married and there were four new parents in the team last year.

In addition to all the things that have happened at CrowdFarming in 2022, we had time to continue with our book club, do a clean-up alongside SEO BirdLife and Ecoembes, climb two mountains, hold three days of clothes exchanges to give a second life to clothes we don't wear, and see our football team make a name for itself in the corporate league!



Efficiency beyond our supply chain

Scope 1 and 2 carbon emissions

CrowdFarming's* carbon footprint in 2022, considering Scope 1 and 2, was 61.1 tonnes. This means:

0.41 tonnes of CO₂ per employee

8.14 kilos of CO₂ per ton of product shipped

Although it's still a low carbon footprint for a company of our size, in just a year it's practically multiplied by six. But why? First, we've grown as a company, and that has an impact on total emissions as our operations grow. The energy we consume at CrowdFarming's offices is still renewable, so our growth has no impact on the energy consumed in terms of carbon footprint. The main cause of the increase is that we have more producers selling via CrowdFarming and more people on the team supporting them, which translates into a higher carbon footprint from their cars.

Our CrowdFarming philosophy includes making every trip worthwhile, and we make sure that we optimise every kilometre we travel – for example, by grouping visits to different producers.

Meanwhile, we keep an eye out for opportunities for lower-consumption hybrid or electric vehicles, but this is still not a viable alternative for our requirements at CrowdFarming.

*This doesn't include CrowdLog's carbon footprint

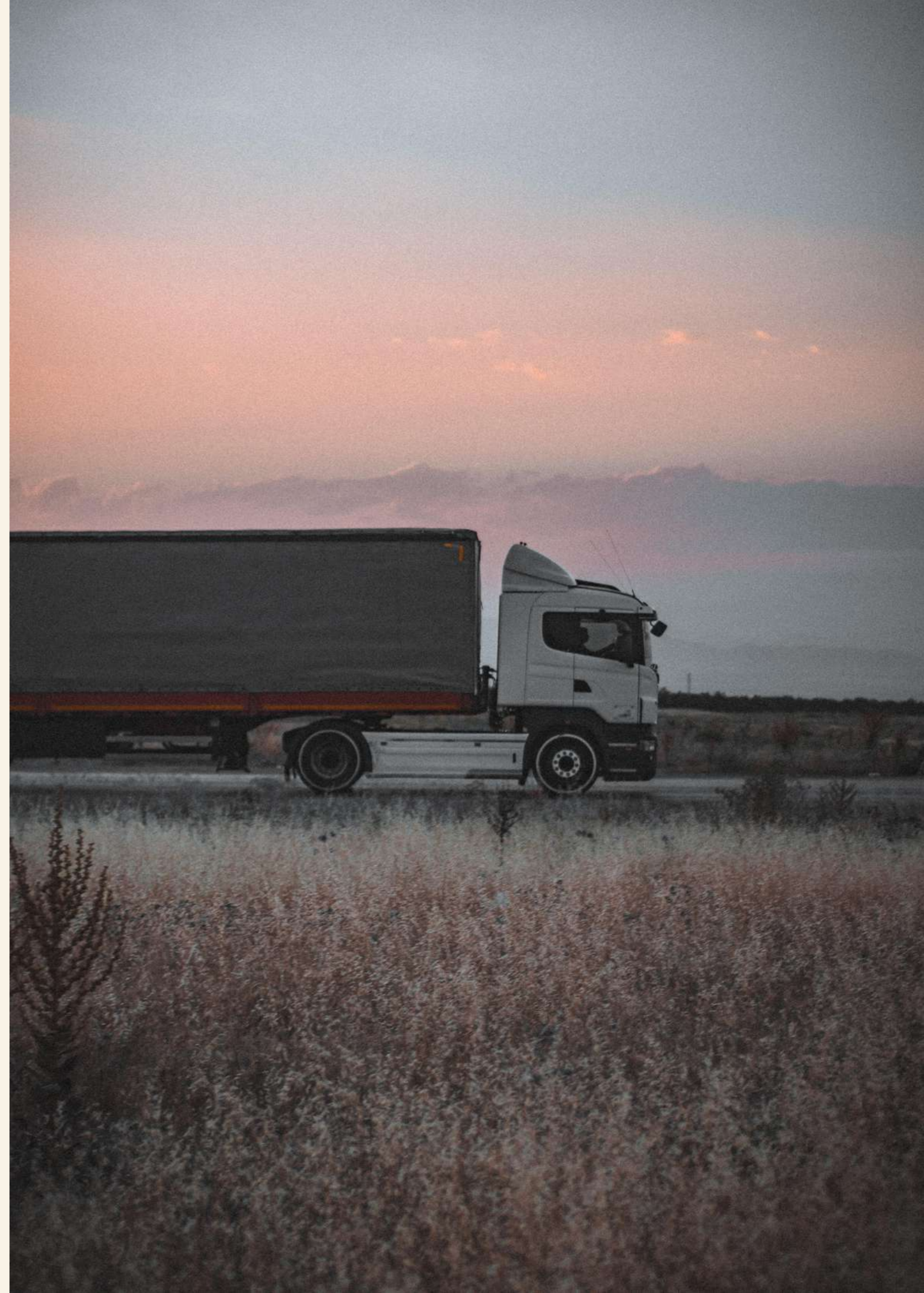
CrowdLog's carbon footprint, considering Scope 1 and 2, was 64.36 tonnes

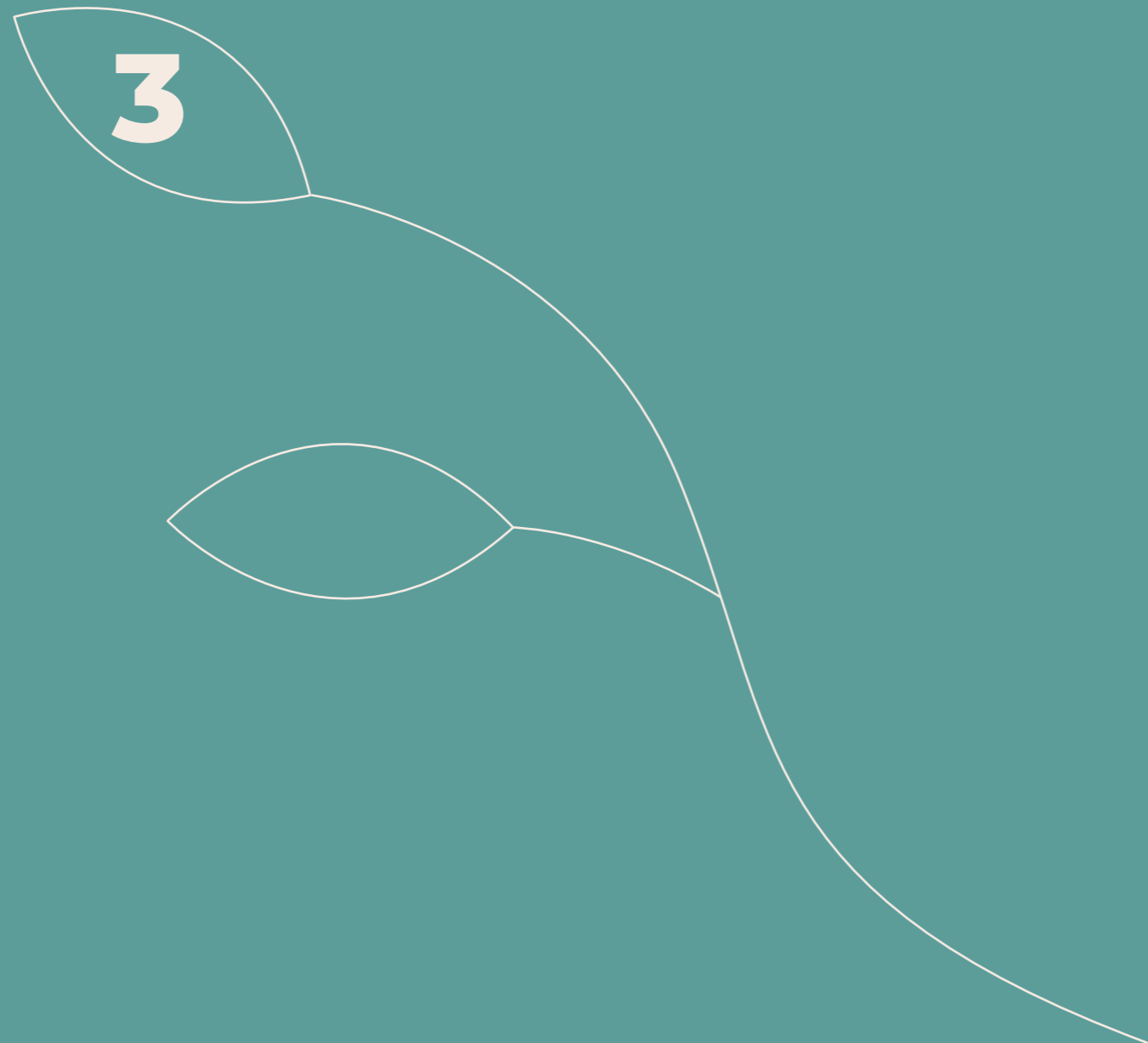
In 2022, we focused on putting it into operation, making quick wins possible, for example, by guaranteeing that 100% of the energy supplied to CrowdLog was from renewable sources as of the summer, but there are still lots more things we can improve on!

Waste management

At our offices – perhaps it goes without saying – we separate our waste so that it can be recycled.

At our logistics hub – CrowdLog – we're always trying to think of solutions that bring us closer to completely eliminating waste generation and maximising the reuse and recycling of any waste that we do generate. Cardboard and plastic waste is separated for recycling and, as we mentioned earlier, fruit waste is reused to create new products or is donated to organisations in the area.





The road ahead



Brave, responsible and open-minded

We've told you what we've done at CrowdFarming to continue improving the solutions we offer to producers and CrowdFarmers – the consumers and cornerstones of this revolution – and tackling the challenges and opportunities found in 2022.

We know we still have a plethora of challenges ahead of us, but we're not afraid: one of our four values is bravery. As Aristotle believed, virtue is in the middle ground. One must not be afraid nor oblivious either. Thus, we keep an eye on what's going on around us so that we can react in time.

To choose one way or another or to take a position on different issues, we have very enriching internal debates on different topics as a team! We like to take these decisions with an open mind while being faithful to our values. Without falling into the trap of trying to please everyone.

We can also make mistakes... almost every day.

We're human, and everything we do can be improved. The only solution to avoid making mistakes would be to sit still and do nothing. Yet that's not our style.

If you come up with new ideas to bring us closer to a fairer and more sustainable agri-food chain or you've got another point of view on some of the issues we've covered in this report, please let us know! We couldn't be more grateful to have a community of committed CrowdFarmers who help us get closer to our goal every day.



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