

*THE PUBLIC ESTABLISHMENT*  
**HUMANA PEOPLE TO PEOPLE BALTIC**

**ANNUAL REPORT 2022**





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# **THE PUBLIC ESTABLISHMENT HUMANA PEOPLE TO PEOPLE BALTIC**

## **THE MISSION STATEMENT**

- HUMANA PEOPLE TO PEOPLE BALTIC wants to see a world with better prospects for all its inhabitants to live their lives without poverty, sickness and lack of freedom.
- HUMANA PEOPLE TO PEOPLE BALTIC wants to support people's efforts to create development in their communities.
- HUMANA PEOPLE TO PEOPLE BALTIC supports projects dealing with health, education and environment. We believe that work within these areas is one of the main preconditions for sustainable development.

## **THE HISTORY**

Humana People to People Baltic (HPP Baltic) was founded in the beginning of 1998. The idea was to establish an organization in Lithuania that could raise funds to support development of poor and disadvantaged people in the world. To do this through a network of shops selling second hand clothes and using the surplus from this activity for Humana People to People's projects in developing countries.

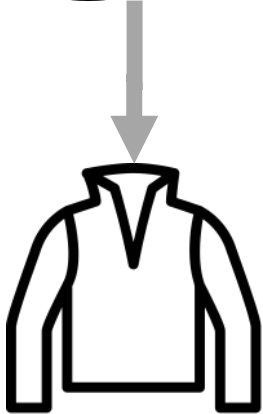
The first Humana shop and the Sorting Centre in Lithuania have been opened in 1998. Steadily growing over 25 years, the HPP Baltic has become one of the biggest second hand clothes sorters and sellers in Lithuania and Baltic countries. At the end of 2022, the Humana shops network was 63 shops, spread in 28 towns all over the country.

HPP Baltic is a member of the Federation for Associations connected to the International Humana People to People movement (more about Humana People to People organizations see page 6) and supports many very good sustainable development and education projects in Africa, Asia, Central and Latin Americas and Europe while also being an expert source of fashionable and good quality clothes at very affordable prices for many Lithuanians.

## HPP BALTIC WAY OF FUNDRAISING FOR DEVELOPMENT ASSISTANCE AND SOCIAL PARTNERSHIP PROJECTS



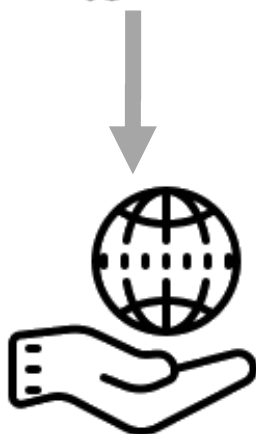
**PURCHASING** Fundraising at HPP Baltic starts with purchasing from suppliers on the second hand clothes and footwear market.



**SORTING** To pursue the highest environmental benefits, HPP Baltic strives to reuse the second hand textiles. This requires a detailed sorting and distribution to different parts of the world. Through the long term relationships built across the sector, HPP Baltic is able to ensure a high quality and transparency throughout the supply chain.



**SELLING** Around 50% of the sorted goods are exported. In Lithuania, HPP Baltic operates 63 Humana second hand clothes shops network and sells sorted clothes to minor sellers. To facilitate changing consumption patterns in developed countries, Humana stores are at the forefront of sustainable fashion, enabling customers to shop for high quality second hand clothes at affordable prices, as well as addressing global resource challenges.



**SPONSORING** After paying taxes, the profit is used to finance socially important projects.

In 2022 HPP Baltic engaged and contributed **4 539 000** EUR, 130% more than last year, to support the implementation of 47 partnership projects in 11 countries all over the world.

## **THE HUMANA PEOPLE TO PEOPLE INTERNATIONAL NETWORK**

Humana People to People Baltic is a member of the Federation for Associations Connected to The International Humana People to People movement (FAIHPP). FAIHPP was formed in 1996, by the then 16 national associations in Europe and Africa, as they wanted to strengthen their cooperation and improve the quality and impact of their work.

At the moment, FAIHPP has 29 independent associations as members from Europe and North America, and from Africa, Asia and South America, what implement more than 1 200 project units reaching 10 million people annually.

Members of FAIHPP are independent national charitable organizations who base their work on keen knowledge of the needs and potential of the communities where they are situated. The International Headquarters of FAIHPP are situated on Murgwi Estate, Shamva in Zimbabwe, in rural setting 85 km outside of the capital city Harare.

Member organizations in Europe and North America collect, sort and sell second-hand clothes for reuse and expend the surplus to support social development projects. Reuse of the second clothes is the more preferred option compared with recycling, and the social development projects boost human capacity and encourage people to join forces to make changes that advance the living standards for individuals, families and communities.

FAIHPP is governed by a Committee, elected by members at the Annual General Assembly, which is the highest authority of the Association. To Humana People to People, transparency is vital. Cooperation partners and relevant authorities get agreed reports and in the Humana People to People websites anyone can find the annual progress reports, different specific reports, and information about where to ask for additional information.

FAIHPP is committed to adhering to the highest standards of accountability, transparency and good governance. Annually members of FAIHPP spent EUR 90 million on education, environment, health and social development projects world-wide. Humana People to People entities use various audit and certification systems to document their activities, systems, and material streams. ISO certification, system audit by Bureau Veritas, Mepex transparency reporting, SGS NGO Benchmarking and Global Reporting Initiative are some.

FAIHPP movement members believe in the power of people working together to bring about lasting change, equipping people with the tools, knowledge and skills to build their own bright futures.

## **THE HUMANA PEOPLE TO PEOPLE INTERNATIONAL NETWORK**

There are five main areas of movement members engagement into activities for social development and environment protection:

### **Community Development**

Community Development happens in villages, towns and the slums, where Village Action Groups get together to solve the pressing issues by working in close cooperation with traditional leaderships, health and education institutions, government agencies, local organizations and faith based groups. Community Development activities include taking care of children, assisting the elderly and the sick, addressing the need for clean water, sewage and rubbish disposal, nutrition by growing more vegetables, campaigning against child marriages, tackling illiteracy and creating income generating activities.

### **Education**

Humana People to People movement members believe quality education is a vital tool to alleviate poverty and essential to national and global development, providing the foundations for a brighter future. Humana People to People members work to empower girls and women, encouraging more girls to stay in education. Teacher Training programs educate teachers for mainly rural communities across Africa and Asia. Vocational Training programs include formal training courses and short skills training courses. The concept of the Preschool of the Future has grown up to a professional movement what is changing parents and teachers understanding of Early Childhood Education as basically different from Primary School Education.

### **Health**

The Humana People to People health projects focus on the worst health challenges in the countries where we are working, continuing the fight for gaining total control of the HIV and AIDS epidemic, fighting the spread of TB, coronavirus, and taking part in eliminating malaria. As diabetes, hypertension and cancer increase premature deaths outside of the industrialized countries, Humana People to People engages in public campaigns of information, detection and referral to treatment for this kind of diseases too. Humana People to People health projects are based on the active participation of the people themselves in their communities, focus on prevention and close cooperation with the public health system.

### **Sustainable Agriculture and Environment**

Small-scale farmers are at the heart of responding to the world's environmental and social crisis. They are the driving force towards ecologically sustainable and socially fair agriculture systems. Globally, small farmers produce most of the food. They do feed the world. While much of their production is not reflected in national statistics because it is not traded as a commodity, it does reach those who need it the most: the rural and urban poor.

### **Reuse of second hand clothes**

Population growth, improvement of living standards, an increasing assortment of textile materials, and the decreasing life cycle time of textile products contributed to global fiber consumption that generates a significant amount of post-industrial and post-consumer fiber waste. Humana People to People network plays increasingly important role in reducing that waste by bringing nearly 80% of collected second clothes to reuse.

## HPP BALTIC DONATIONS USED FOR PARTNERSHIP PROJECTS in 2022

<u>Country</u>	<u>Project</u>	<u>Amount (EUR)</u>
<b>Belize</b>	Child Aid	29 318
	Community Development Project (CDP) – Solar	41 976
	CDP Economic Inclusion	15 896
	CDP Community Hubs	49 156
	CDP Full Circle	16 669
<b>Botswana</b>	Child Aid (CA) Phikwe	15 924
	CA Ghanzi	53 264
	HOPE Humana Palapye	61 711
	Total Control of Epidemics (TCE)	91 474
	Institutional Strengthening	45 945
<b>China</b>	Pre-schools of the Future (POF) Huize	38 462
	POF TengChong	27 784
	POF QiaoJia	67 379
	POF Program	3 944
	GAIA Kunming—Climate Awareness Action	7 302
	Farmers' Clubs (FCs) NanJiang	18 624
<b>Equador</b>	Institutional Strengthening I	29 318
	Institutional Strengthening II	39 090
<b>Guinea Bissau</b>	Vocational School Bissora	36 041
	TCE	41 482
	TCE / TB Health project	229 711
<b>India</b>	Necessary Teacher Training Program	25 328
	Community, Women, Health, Environment	97 597
	Action Against Child Labour	13 121
	Girls empowerment (Tejashwini)	6 388
	HIV/AIDS and TB	14 209
	Airclean	48 799
	Institutional Strengthening	195 194



## HPP BALTIC DONATIONS USED FOR PARTNERSHIP PROJECTS in 2022

<u>Country</u>	<u>Project</u>	<u>Amount (EUR)</u>
<b>Malawi</b>	Teacher Training College (TTC) Dowa	53 749
	TTC Mzimba	116 294
	Vocational School Mikolongwe	278 519
	Nacala Logistics	127 413
<b>Mozambique</b>	Institute of Education and Technology	245 611
	HOPE Cabo Delgado	29 184
	TTC Nametil	73 313
	TTC Tete	20 299
	TTC Nacala	37 202
	TTC Macuse	72 250
	TTC Inhambane	51 695
<b>Namibia</b>	School	10 344
	TCE	243 158
	FCs	10 750
	Institutional Strengthening	48 863
<b>Zimbabwe</b>	Frontline Institute	4 706
	Ponesai Vanhu Technical College	4 708
	Ponesai Vanhu Junior School	4 708
	DAPP Production	130 007
	Hope Bindura	4 708
	Cookstoves	5 650
<b>The Federation</b>	HPP Clinic	476 605
	Membership Contribution	224 483
<b>Lithuania</b>	„Eat Wisely“ Program for Lithuanian Schools	5 000
<b>Summary of HPP Baltic sponsorship in 2022</b>		
<b>47 social development projects in 11 countries</b>		
	<b>Donated</b>	<b>4 539 000</b>
	<b>Used</b>	<b>4 159 672</b>

## THE SECOND HAND CLOTHES TRADE IN AFRICA



One of the most important beneficiaries of the second-hand clothes trade is Africa. Africa is the world's second-largest importer of second-hand clothes, and the business provides a vital source of clothing and income for millions of people on the continent.

It is a large industry that is growing rapidly. The global second-hand clothes market is set to nearly double in the next decade.

Second-hand clothes are cheap and affordable for people who don't have the means to buy more expensive new clothes. They are of good quality that often last longer than cheap quality new clothes and they offer an endless array of unique styles. These are factors which make second-hand clothes very popular among consumers of low-income countries of Africa.

There are many other benefits from the second-hand clothes trade.

## THE SECOND HAND CLOTHES TRADE IN AFRICA

Second-hand clothes have a big positive impact on the environment. By preventing post-consumer clothing from ending up in landfills or incinerators, the trade reduces carbon emissions and saves lots of resources, water, and energy. Second-hand clothes are donated by well-meaning people in wealthier countries who over time have accumulated excess clothes in their wardrobes and who don't want to throw them away because they know they still have value left. Therefore, the clothes donated are mostly clean and in good condition. After the donations have been collected and the clothes sorted at sorting centres, the clothes receive a new lease of life when sold at the end markets in the receiving countries, rather than ending up as waste in the countries where they were donated. Furthermore, when people buy second-hand clothes there is less need for producing new clothes, which is highly damaging to the environment.

The second-hand clothes trade is a big industry that also creates jobs, as people are employed to collect, transport, sort, sell, clean, and repair second-hand clothes. It is estimated that the business employs millions of people across the African continent. The trade works well in informal and self-employment settings, which is vital for African countries with limited possibilities for formal employment. It fosters entrepreneurial skills and innovation and supports millions more households who depend on the trade for their livelihoods.

There are also many social benefits deriving from the second-hand clothes trade. For example, second-hand clothes can help to improve people's self-esteem and confidence, as people can choose and dress in clothes that they would not be able to afford otherwise. It also

helps to enhance gender equality and democracy, as women and girls are often the primary actors and beneficiaries of the trade.

Second-hand clothes are of great importance for the economies of African countries as they are also a vital source of tax revenue. In Kenya, for example, the government collected over US\$100 million in import taxes on second-hand clothes in 2021. In Tanzania, the revenue was estimated to be around US\$73.4 million.

This revenue goes to the national government to fund various social development projects, such as education, healthcare, and infrastructure development.

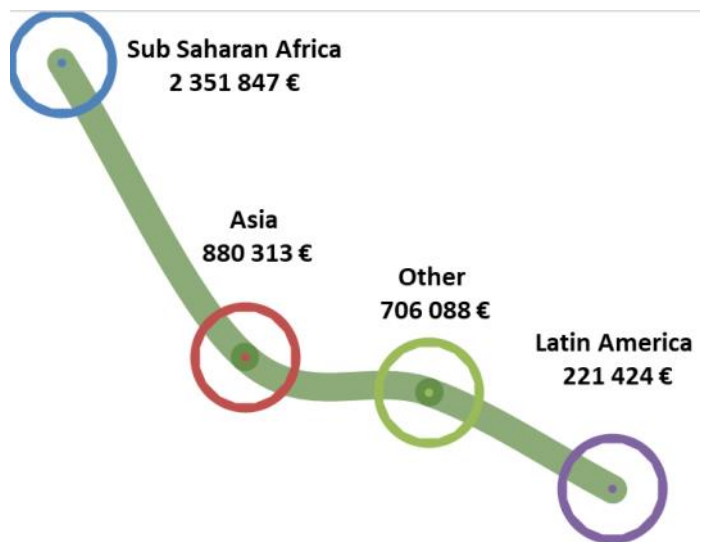
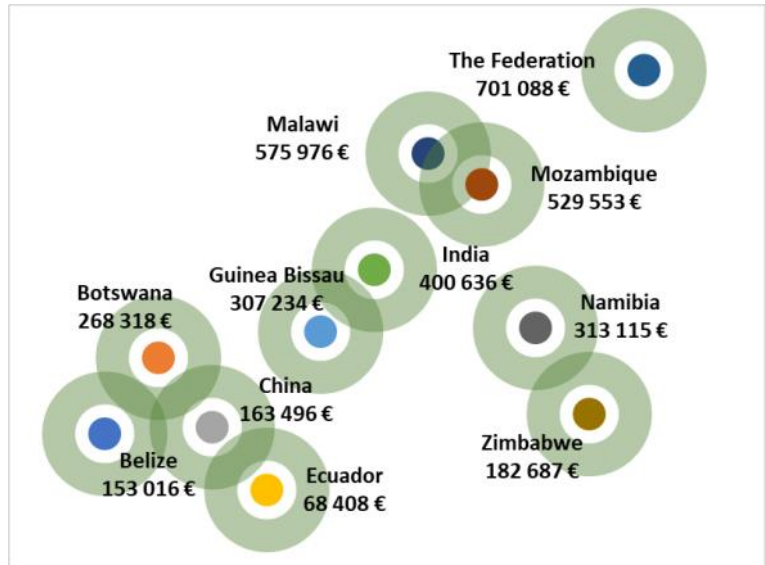
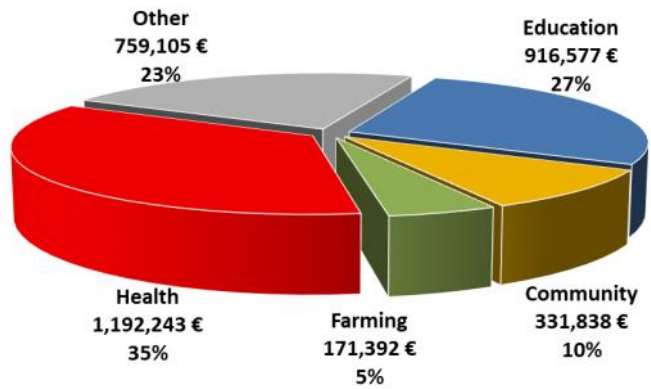
Some have voiced concern that the second-hand clothes trade is hindering the revival of the local textile industry. However, recent scientific reports have highlighted that there is no evidence that this is the case. On the contrary, all evidence points to the fact that the two sectors can coexist and thrive, mutually benefiting each other.

Also, surveys have shown that there is no significant amount of waste in second-hand clothes as some have claimed.

The second-hand clothes trade is an important part of the global economy, and it is likely to become even more important in the future. As the world's population grows the demand for second-hand clothes are likely to increase.

Overall, second-hand clothes have proved to be a great way to (1) reuse and save natural resources and (2) providing affordable good quality clothes for millions of people while at the same time creating economic stability and opportunities in low-income countries, stimulating economic growth.

## HPP BALTIC DONATIONS USED IN 2022



## HPP BALTIC ENGAGEMENT IN HUMANITARIAN RELIEF ACTION IN UKRAINE



The Russian invasion of Ukraine in 2022 has led to a humanitarian crisis of epic proportions. Millions of people have been displaced, and many struggle to meet their basic needs. In the cities of Northeastern Ukraine, where the invasion started, followed by liberation a few months later, the daily work at social welfare institutions, local centers for the disabled, hospitals, and boarding schools has become incomparably more difficult.

In partnership with HPP Ukraine, we engaged ourselves into a humanitarian relief action aimed at supporting socially vulnerable people with food products, such as families with children with disabilities, patients of psychiatric hospitals, and recipients of social support center services. The campaign is implemented in cooperation with the Swedish organization Human Bridge and the Oliva Foundation of Ukraine. Both organizations are experts in finding the necessary medical equipment and supplies and delivering it to Ukrainian hospitals and social assistance institutions. HPP Baltic and HPP Ukraine are sponsors of the campaign and pay for the production and distribution of

food packages to the organizations of the target group.

**In partnership with HPP Ukraine, HPP Baltic has pledged to take part in a humanitarian relief action in northern Ukraine in the mid of 2022. By the end of 2023, we expect to have distributed 30,000 food parcels with a cash value of €400,000.**

„Our” food product parcels contain shelf-stable foods such as wheat flour, sunflower oil, canned chicken meat, buckwheat, condensed milk, cookies, sugar, and rice. However, the content of the package shall change after hearing the comments by the final recipients and the capabilities of the manufacturer.

In times of ongoing war of aggression and targeted destruction of the infrastructure, the humanitarian relief action is a sign of solidarity with the most afflicted people. These families have been through so much, and they deserve our help.

The specific benefits of HPP Baltic and HPP Ukraine purchasing and distributing food product parcels to families in need in northern Ukraine:

It helps to ensure that families have access to nutritious food.

It creates jobs in a country ravaged by military invasion and war destruction.

It helps to strengthen human resilience in times of prolonged stress.



## THE SORTING CENTRE



Photo: The art of sorting at HPP Baltic Sorting Centre in Vilnius.

After more than two decades of steadfast growth, HPP Baltic Sorting Centre in Vilnius has become one of the biggest and most experienced sorters in the Baltics. Currently at our Sorting Centre we sort more than 630 tonnes of clothes and footwear every week. These are bought mostly from suppliers in Sweden, the Netherlands, Germany, Finland, Norway, Austria, Italy, and the United Kingdom. By taking care of these clothes, we provide affordable clothing to people all over the world and reduce the environmental burden from textiles. By intelligently handling more than 630 tonnes of post-consumer textiles every week, we reduced greenhouse gas emissions by 200,000 tonnes in 2022 (6.1 tonnes per ton collected).

### Reuse and recycling

The textile industry the fourth biggest user of primary raw materials and water, after food, housing and transport, and fifth biggest

source of greenhouse gas emissions. The EU strategy for textiles aims to strengthen industrial competitiveness and innovation in the sector, boosting the EU market for sustainable and circular textiles, including boosting the sorting, re-use and recycling of textiles.

31% of the goods sorted at our Sorting Centre in Vilnius, are sold in the network of Humana shops or to minor sellers in Lithuania; 47% are exported to Humana People to People movement partner organizations and other customers around the world. This means that as many as 78% of the garments are saved from being reduced to raw material and

recycled as fibre. These clothes are given a second life, and the environment is protected from energy- and chemical-intensive recycling. Just 17% are sold to recycling companies and are used, for example, in the production of wiping clothes. The last 5% of the total sorted amount, we hand over for incineration which contributes to energy production. However, to further reduce the incineration, we are looking for new recycling customers. In 2023 we plan to start shredding, i.e., to cut the waste items into 3 cm long pieces what would be used as alternative industrial fuel.

We sort second hand clothes in several hundred categories, according to the seasons, the quality of each item, requests of a customer, etc. We separate and sort out plastic bags, paper, metal and electronics. For us, reusing is an absolute priority; recycling is a second good option; and as little waste as possible should be left for incineration and shredding.

## THE SORTING CENTRE



Aerial photo: The solar power plant on the roof of HPP Baltic Sorting Centre in Vilnius.

### **The art of sorting**

Sorting clothes involves thorough manual labour, checking the fibres, quality, stains, repairs and dozens of other nuances of fashion and branding. It requires a great deal of knowledge and perceptions that combine science and art. The categories are constantly changing and new ones are introduced. We pay a lot of attention to our sorting staff, their training and skills development. However, there are still no sorting schools; our sorters receive on-the-job training and normally it takes a year to train a sorter. The Sorting Centre uses a sorting quality monitoring system. No machine can do this increasingly complex job properly and creatively.

### **To respect the environment**

Washing more clothes saves more of them from being recycled instead of reused. For us, this means a greater challenge to invest more in innovative and environmentally friendly measures to reduce energy, water and gas consumption; measures that include only using an ecological fully water-disintegrating detergent. For the operation of washing machines, we have employed a computer programme that saves time, electricity, water,

and detergent. In addition to washing clothes, in 2022 we began dry cleaning clothes. To prevent the discharge of used detergent, the detergent at work is in a closed loop. We dry clean one tonne of clothes each week and wash two tonnes of clothes every day. Currently this represents 3% within the total flow, but that proportion is increasing. To save tap water, we installed a water reuse system in the laundry. In 2022, we cleaned more than 100,000 pairs of shoes.

The first solar panels on the roof of our Sorting Centre were installed in 2019. In 2020, we doubled the output capacity up to the limit of 1 MW. In 2022 our solar power plant generated 540 MWh of green electricity. This is  $\frac{1}{2}$  of the electricity we need. On non-working days, the surplus is fed into the grid. This volume of green energy has reduced the greenhouse gas emissions by 500,000 tonnes.

### **Reaching out to help**

We regularly receive requests for donations of clothes and shoes. The requests come from social welfare organizations, law enforcement institutions and refugee organizations. The surge in war refugees and migrants in Lithuania has led to an increase of requests for clothing sponsorship. In 2022, we received 29 applications for sponsorship in clothes and donated more than 5.5 tonnes – twice as in 2021 – of intelligently selected clothing, bedding and foot wear. By donating clothes, our employees donate dozens of hours of work time. When each donation is made, we make additional commitments to visit the facility to check how we have benefited the target group and what we could do better.

## HUMANA SHOPS





## HUMANA SHOPS

The Humana logo consists of the word "HUMANA" in a bold, blue, sans-serif font, centered on a bright yellow rectangular background.

In Lithuania, the first **Humana** shop was opened in May 1998. By the end of 2022, the Humana network contained of 64 shops already, spread across 29 cities and towns all over the country: 16 shops in Vilnius, 12 shops in Kaunas, 3 in Klaipėda, 3 in Šiauliai, 2 in Panevėžys, 2 in Alytus and 2 in Marijampolė. Other 24 shops are in Anykščiai, Biržai, Druskininkai, Elektrėnai, Jonava, Joniškis, Jurbarkas, Kaišiadorys, Kėdainiai, Kupiškis, Mažeikiai, Lentvaris, Plungė, Prienai, Radviliškis, Raseiniai, Rokiškis, Tauragė, Telšiai, Trakai, Ukmergė, Utena, Varėna, Vilkaviškis and Visaginas.

The main feature of Humana shops is constantly renewable assortment of goods. For this aim an operational model has been developed and refined: shops in major cities are fully restocked every five weeks, and in regional shops — every two weeks.

Another important aim is to reach out to customers from as many different sections of society as possible. Our client is increasingly becoming the one who appreciates the uniqueness of an original item in a mass-produced market of the high street shops. market.

For customers on a lookout for something unique, we have a special offer: three shops in Vilnius, on Didžioji street 18/2 and Trakų street 16 and Tilto street 10/8, and one shop in city of Kaunas on Daukšos street 25, sell the original vintage style clothes. Since our vintage shop window went also digital, that very specific shop become accessible at any time of the day via the link [www.think2.eu](http://www.think2.eu)



**Think2.eu** is our online shop, and a joint point of Humana LT shops in European countries. The idea behind the Think2.eu brand is to give clothes a second chance and create an opportunity for a wide range of textile products to be reused and not landfilled or incinerated. Our online store promotes sustainable fashion, encourages customers to share similar values, celebrates individuality, appreciates quality, and has a dedication to the environment. We promote a responsible way of shopping with a wide range of trendy vintage clothes, shoes, bags, accessories, and jewelry. Vintage products are added every working day and we are proud that we're able to ship them to all EU countries. Find your forever piece with us and join the journey into a sustainable life! Shop now - [www.think2.eu](http://www.think2.eu)

## **CONTACTS**

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