Conference Report

WFTO-Europe Biennial Conference

Brussels, Belgium 7th-8th June 2018



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Introduction

WFTO-Europe Biennial Conference took place in Brussels on the 7-8-9th of June 2018, followed by WFTO-Europe Annual General Meeting (AGM) on the 9th June. It was a unique opportunity to gather together our members, discuss about relevant topics for our network and decide on the next steps to undertake.

The conference took place immediately after the European Development Days (5th and 6th of June), Europe's leading forum on development which is organized every year by the European Commission. Our intention was to allow our members to make the best out of their stay in Brussels attending an international event that brought together actors of the development community from different corners of the world and registered over 40,000 participants.

"Universalizing Fair Trade principles through a European Union sustainable -and fair- production and consumption agenda" was the title of the conference held on Day one with the cooperation with the Fair Trade Advocacy Office (FTAO). The event was part of the EU-funded Trade Fair Live Fair project (TFLF) which aim is to strengthen the link between fair trade and Sustainable Development Goals (SDGs). The format of this first day was a novelty: for the first time other Civil Society organizations who are outside the Fair Trade movement were invited. This turned out to be a fruitful experience that triggered the discussion and contributed to orientate political demands of the Fair Trade movement for the next campaigning activities, in particular the European Parliament (EP) elections in May 2019.

While Day 1 took place in Brussels at Maison des Associations Internationales, MAI, on the 8th we had the great pleasure to be hosted by Oxfam Magasin du Monde in their headquarters in Wavre. The second day was focused on strategic discussions on WFTO-Europe internal topics. Towards this aim, four workshops were set up on the following issues: gender equity, fair payment, retailers standard and northern producers.

WFTO-Europe team was very satisfied and very pleased to receive positive feedback from the participants on the two days. This success was possible thanks to several guests who shared their expertise during the two days, in particular: Rain Morgan (Responsible of "Turqle Trading", former Chair of WFTO-Africa and Middle East Region as well as Chair of the WFTO Global Working Group on Fair Payment), Pieter Swart (Board Member of WFTO-Global and responsible of Turqle Trading).

Moreover, it was a great pleasure to count on the presence and support of <u>WFTO Global</u>: Rudi Dalvai (WFTO President) and Erinch Sahan (WFTO Chief Executive), who animated the workshop on Northern Producers with Eduardo Cuoco from <u>IFOAM EU</u> and Jason Nardi from <u>RIPESS EU</u>.

DAY 1 / 7th JUNE

The 2018 Biennial Conference was officially opened with the welcome speech of **Tadeusz Makulski** and **Francesca Giubilo** (President and Coordinator of WFTO-Europe) and **Sergi Corbalán** (Executive Director of FTAO). During this timeframe, the Fair Trade principles were presented as the overarching theme of the event. The focus of the morning session was to explore what EU policies the Fair Trade (FT) movement would need to move forward the accomplishment of the SDGs, whilst the afternoon was dedicated to election campaigns, in particular the one for the European Parliament in 2019.

Session 1 - "How to ensure an EU sustainable production and consumption (SPC) agenda that is truly sustainable"

According to the basic rule of the supply-demand, whenever the output of an agricultural commodity (such as cocoa) increases, its price automatically drops. From another point of view, when farmers get more productive, they get less money. Currently, the dominant approach is to pass the responsibility of sustainability and respect of human rights down the supply chain, from the buyer to the supplier. The outcome is that producers see their wages decrease whilst the workload and number of rules to follow raise. How to bring fairness out of the SPC and argue that Sustainable Development is not truly sustainable if it is not fair?

The discussion was developed around three workshops. Each participant could take part to two of them. At the end of the session, facilitators reported back to the plenary what discussed within the group.

Workshop 1 - <u>Cultural change</u>: What change in narratives (dominant values, framing of issues, societal stories of change) should happen

(Facilitator: Sergi Corbalán, FTAO)

The current cultural situation regarding SPC is imbued with a sense of living in a desensitized and disconnected society from current unfair practices which leads people not to take actions accordingly. Individualism and hedonism in consumption of the dominant capitalistic cultural model were identified as major factors.

SPC is an opportunity for cultural change and to get across the message of fair SCP. In doing so, different opportunities of joining existing movements could be embraced: ecofeminism, climate change movement, alternative ways of consumption, institutions and companies taking up SCP discussions, student movements/ business schools, green movements.



What should occur to drive a cultural change? Firstly, the single organisations at their level should do more advocacy and build partnerships that could prove that Fair Trade transcends several SDGs. Secondly, a change in the way the FT movement communicates needs also to occur: our discourse should transmit more the excitement for being part of a movement of change rather than the sacrifice because of our ethics. More generally, everyone agreed on the urge for societies to move away from cheap planning.

Workshop 2 - <u>The "carrot"</u>: how to encourage sustainable production and consumption and promote alternatives in EU policies

(Facilitator: Fabienne Yver, FTAO)

Participants identified main challenges that the FT movement has to face, such as increasing awareness about our movement. A widespread feeling shared by some participants was the impression that FT lacks recognition among political organizations so they are obliged to constantly justify that what they do is Fair.

Another big challenge detected common to all supporting organisations is the lack of funds and the difficulties

What policies should than the EU adopt? One idea is to create at EU level a tax incentive package for FT products, for instance, with exemptions on custom duties, import tariff, a lower VAT for products with lower externalities. At the level of public procurement, the awareness of officials writing tenders should be increased as they often lack values related to social/environmental justice issues;



moreover, the EU should facilitate the creation of platforms where exchange ideas and information, not only within the FT movement but also with other actors from the civil society.

Workshop 3 - The "stick": how to promote change in "rules of the game"

(Facilitator: Peter Möhringer, FTAO)

This workshop discussed examples of policies that the EU should adopt to change imbalances of power in supply chains. It highlighted the need for the regulator ('the stick') not only to create binding legislation on HRDD, living wage, etc, but also to ensure credible endorsement and willingness to implement it strategically. Building alliances with a clear common strategy is essential to succeed; then, divestment and social solidarity movements as possible future allies were examined. Financing for development and investments should be used in compliance with sustainable standards, which means that social, economic and environmental requirements are met at the same time (i.e. it is not acceptable that children are paid for planting trees to combat climate change, because it is not truly sustainable).



Moreover, there is a need for exchanging good practices, and for it to be used in a bottom up approach through a critical mass of member states wishing to make the change happen - and influence the EU.

As a conclusion, it was reminded that it is the movement's responsibility to make sure that the change happens.

Session 2 - How to build a successful EP elections campaign

(Speaker: Sebastien Leclef, Project Officer at WFTO-Europe, Coordinator of the "Vote for Fair Trade" Campaign for EP elections in 2014)

The elections of the European Parliament (EP), the only directly elected body within the EU, are always a good opportunity to initiate a new public debate in civil society within each member state. Sebastien Leclef, thanks to his previous experience in elections campaigning, gave a clear picture to the audience of the main features of an EP campaign. Later, people in the hall were invited to share lessons learned from their past experience in election campaign.

Sebastien Leclef, presented "Vote For Fair Trade", a 3 years long campaign (2013-2015) funded by EC DEAR program. Articulated in three phases (Preparation & coalition capacity building in 2013, campaign in 2014, evaluation in 2015), this campaign had as main objectives to raise awareness on Fair Trade, have a coherent approach across countries and provide FT actors with capacity building. Main target groups (EU citizens, MEP candidates & EU policy makers, FT movement in Europe) and tools (FT Manifesto, Video testimonials, package for FT organisations) of the campaign were illustrated as well as significant actions undertaken after the end of the campaign, such as the creation of the Fair Trade Working Group - cross party and across committees - and the FT breakfast at the European Parliament.



Many good ideas were shared by others who had past experiences in organising elections campaigns: for example, Mathilde Brochard (Commerce Equitable France) thanks to her previous experience at Global Alliance for Tax Justice and its "Tax justice and inequality campaign" (2015-2016), figured out that having clear objectives of the policy change, coordinated actions among groups in different countries, alliances with grassroots organisations and a common strong identity were driving factors for success.

To conclude, key points to retain for the FT movement are having common objectives, clear actions, a good coordination at all levels (from local to global) and drawing up specific demands for consumers and politicians.

Session 3 - "EP elections 2019: what civil society campaign(s)?"

Sergi Corbalán animated the last session of the day, aimed at understanding how to concretely shape the FTAO EP campaign. What emerged is that this time the preferred approach would be a joint campaign with organisations working on related issues such as social and solidarity organisations.

Friends of the Earth and CONCORD shared their own strategy for the 2019 EP election campaign as well as the ongoing discussion within their respective organisations.

A discussion in plenary brought up several interesting key points and inputs for the next steps. Coalitions with organisations active in SDG watch should be set up so to develop narratives with a central message about solidarity and sustainability that could influence public debate. The involvement of national FT actors is essential to get the opinion of citizens to politicians through public debates, medias, demonstrations, opinion articles.

Conclusion

Sergi Corbalán gave the concluding speech for this intense and fruitful day, highlighting some key next steps towards a more EU sustainaible and fair sustainable and consumption agenda.

DAY 2 / 8th of June

Morning session

The Day 2 of our Conference took place in Oxfam Magasins du Monde, who kindly opened its door in Wavre and host the conference for the entire day.

Some ice-breaking activities were set up with the aim to let WFTO-Europe member interact and learn more about their respective organisations. A way to do networking and creating synergies among kindred and complementary organisations (eg. retailers with FTOs)!

The morning session went on with the interesting presentation of Oxfam Magasins du Monde (OMdM)



given by some key staff of the host organisation. After clarifying to other members Oxfam's structure in Belgium, the focus was shifted to the commercial strategy of OMdM and its world shop management policy.

Another WFTO member from Belgium, the Belgian Fair Trade Federation (BFTF), was then introduced by Sebastien Leclef, one of its Board Member. The BFTF is an umber and under the second second

The morning was nicely concluded by a tour of Oxfam's warehouse, a special occasion to admire incredible items produced by skilled artisans and producers from different corners of the world!



Afternoon session

It was with great pleasure that the afternoon session was opened by our special guest **Rain Morgan**, former Chair of WFTO-Africa and Middle East Region as well as Chair of the WFTO Global Working Group on Fair Payment. Rain brought a producer perspective on the current economic world as she is the responsible - with her husband Pieter Swart - of "<u>Turqle Trading</u>", a trading food exporter company based in South Africa. Rain, well-known among the WFTO family for giving empowering speeches, did not fail our expectations: for her, being a Fair Trade business is not about doing charity but giving to people the "ownership of their own prosperity".

It can be said that Rain and Peter embody Gandhi's quote "be the change you want to see in the world". South Africa faces high rate of youth unemployment, where more than half of young people between 15 and 34 years old have no work and where only 6% among them went to university. With these figures in head, they set up Fair Trade Trust to provide funds for the education of the workers and their immediate families.

Rain and Peter strongly believe in the added value of WFTO, as a reliable and rich network based upon the idea of always heading towards progress. This is why they decided to invest 25% of their time working for WFTO.

According to Rain, WFTO should look more at its abundance rather than scarcity, such as for instance outstanding number of volunteers keeping our network alive and dynamic. The FT movement has accumulated during the decades a huge knowledge, a capital that should be shared so to get stronger. Moreover, FT should directly address its message to young people and show them that having a positive impact on the world around them is still possible - that they can make the change happen!

WFTO is a unique and "disruption force" thanks to its longterm partnerships (a lot more than conventional trading partnerships), the FT "tribe" attitude (discuss internally but mobilized as one if attacked), its transparency and accountability and expertise.

To conclude, readings recommended by Rain were "Wellbeing economy" and also "Donut Economy" by Kate Raworth.



Workshop on Fair Payment

This workshop - the more technical one - concerned the implementation of the Fair Payment process set up at WFTO-Global level in the period stemming from Rio 2013 conference to Delhi 2017. A Working Group (WG) was created to prepare a POLICY for WFTO that could reflect in Principle 4 a practical PROCESS to integrate with the Guarantee System, supported by tools, guides and education, to enable members to achieve the goals of the policy...and make something useful for WFTO members!

Rain Morgan, Chair of the WG, admitted that Fair Payment, which results from the combination of Fair Prices, Fair Wages and Local Living Wage, is a complex topic. Considering a "local" wage is important to adapt this tools to each reality, as producers living at 2 km of distance could face totally different situations. Producers would be at the heart of the process as they will be the ones calculating and deciding on their wage.

Starting from 2019, WFTO monitoring system will undergo paramount changes, starting from new audit and new SAR document (self-assessment report). Training sessions will be provided to members to face at best the tricky phase of implementation. But where to start? Rain advised each organisation to prove their initiative in starting the process and integrating it within its plans and agendas. Moreover, Rain recommended members to be "team players" and talk with each other.

Peter Williams, consultant for the research on fair payment commissioned by WFTO-Europe, started the debate by addressing some questions to the audience. First concerns shared by some members regarded how to take into account the "hidden" labor, such as from the family or emergency help as well as how to communicate about this change to the consumers.

Workshop on Gender

Gender equality is a topic currently discussed within many areas but a lot still needs to be done to put it into practice. Fair Trade enterprises can be regarded as business models when it comes to gender equity and women's rights in the workplace.

The workshop aimed at better understanding the relation between gender and Fair Trade in particular how the movement is doing to foster gender equality.

Pieter Swart (from Turqle Trading and Board Member of WFTO Global) presented the two researches on gender that were carried out under the EC DEAR Project "Trade Fair, Live Fair". Aimed at proving Fair Trade's contribution to SDG number 5, the two reports concern gender equity & women's rights in the workplace. Whilst the first report focuses on women's situation worldwide, the second one is based on findings from 8 Fair Trade Organisations (FTOs) located in 8 countries and identifies best practices within FT towards gender issues.

With the assistance of WFTO Regional branches, data were gathered on the existing legislations supporting gender equality in many countries in Asia, Africa and Latin America. A finding common to all regions is that despite many governments have adopted laws in favor of women's rights, they seem to lack the political will to enforce these policies. Worldwide gender inequality is growing and a lot still needs to be done.



How to close the gender gap? <u>Education</u> is key and the fight against cultural stereotypes must start already from childhood. Quotas must be established in all main decision-taking positions to lead as examples for societies and women have to be provided with trainings on land rights. Other actions to take are promoting a regulatory framework to stop irregular economy and the extension of social benefits to informal workers. More generally, the FT values should be adopted by all business and governments.

In fact, evidences from the second report show that a "woman working for a FTO is 4 times as likely to achieve senior management position, become CEO or join the Board than a woman working for conventional business". "Fair Trade shows that business without exploitation of workforce is possible, that providing training to women, making them aware of their rights in law and giving them leadership opportunities can improve business performance". One of the main challenge for FTOs is to educate consumers to stop thinking about the price but more about the VALUE of a product, which includes the wellbeing and empowerment of those who produced it.

Emilie Durochat (from Commerce Equitable France and WFTO-Europe Board Member) provided the example of how the French Fair Trade national platform created its own strategy on how to integrate gender within its own practices and the ones of its members. At first a self-evaluation among the Board Members was conducted and only later on some training aimed at raising awareness on the topic was provided to members. The last objective of their strategy was to obtain the commitment for improvement within their network.

Members attending the workshop were then asked to identify difficulties and good practices in boosting gender equity. The need to collect more quantitative data to back up FT impact on gender equality on each supply chain was stressed and maybe assess its impact in other areas than the only workplace. Any change in culture cannot happen without the direct involvement of men in all activities, from drawing a new legislative framework to the building of new capacities and awareness on women's equal rights. The concern that gender equality could be a concept imposed by western societies was arisen in 2016 by some of the members of the CEF, who felt a lack of legitimacy and skills to speak about gender to producers; in response to this claim, the research conducted by the Commerce Equitable France showed that in Southern countries there is plenty of grassroots feminist movements. Risk to double the workload for women by pushing them to get a formal job in addition to housework was also discussed.

For the future, positives experiences - such as the French one or the handbook on gender created by the Swedish organisation - must be shared and more study impacts need to be done in order to let WFTO organisations moving towards more gender equity.

Workshop on Northern Producers

Rudi Dalvai (WFTO President) presented the resolution adopted in Delhi in November 2017 by WFTO AGM with which producers from the North can be now included within WFTO membership. Considering their deep differences with Southern producers, Delhi's resolution stated that for joining WFTO they should comply with some additional special criteria (here you find WFTO-Europe's fact-sheet on Northern Producers).

WFTO Members can include in their Internal Monitoring System suppliers from the North complying with the criteria of "working with/consists of economic marginalized producers" and, therefore, WFTO label could be used on their products. No more distinction between producer and consumer countries will be made to move forward a universalized concept of Fair Trade.



Rudi outlined that the open-up to Domestic Fair Trade provides many new opportunities to WFTO members: on one hand, it could be a way to relaunch traditional world shops as now products composed by mixed ingredients from the North and the South would be considered entirely Fair Trade (eg. <u>GEPA</u>'s first chocolate with fair trade milk, CTM Altromercato partners <u>Solidale Italiano</u> since 2011). On the other hand, synergies with kindred movements could be exploited to advocate at national level.

For **Erinch Sahan** (WFTO Chief Executive), before looking for new allies, we should clearly define the position that WFTO occupies among the universe of kindred movements. Fair Trade Organizations (FTOs) are close to social and solidarity economy and other European existing local networks. The situation is evolving: some big companies have voluntarily started improvement processes of their supply chains and governments are taking steps to regulate international supply chains. The Fair Trade movement should take advantage of this evolution and present FT enterprises - from the North and the South – as a real alternative to the current business model. The model we promote is more about equal sharing among workers rather than prioritizing the return of capital for stakeholders. "Fair Trade enterprises prioritize their mission while being commercially viable". Enrich stressed that the diversity in missions of the FTOs belonging to our movement is an added value that should be enhanced.

Eduardo Cuoco from <u>IFOAM EU</u> and **Jason Nardi** from <u>RIPESS EU</u>, respectively from the solidarity economy and the organic movements, welcomed positively the open-up of WFTO to Northern producers and embrace the idea of a prospective partnership with FT actors at national and international level. They took the opportunity of the invitation to present their own organizations to our members.

Eduardo Cuoco (Director of IFOAM EU) retraced the history of the organic movement, from its founders' visions to the first national regulations in the 80es. Since then, organic production and consumption have constantly increased and their rate growth has sky rocked since 2000. At present, IFOAM EU represents the organic movement and sector in Europe and counts more than 190 members in 33 European countries working alongside the supply chain (farmers, processors, retailers, traders). Members need to follow IFOAM's principles: Health, Ecology, Fairness & Care.

Eduardo then presented Organic 3.0, IFOAM's vision for organic in Europe to 2030 in alignment with SDGs. Key objectives would be to make accessible organic product to



everyone; improving the performance of organic food and farming systems through investment on research (improve-inspire-deliver); fair distribution of value and power among all the operators in the supply chain (Fair play - Fair pay). More about IFOAM roadmap towards 2030 can be found on the webpage <u>Euorganic2030.bio</u>.

The intervention of **Jason Nardi** (RIPESS) concluded the workshop. RIPESS EU counts on 39 members from 17 European countries and its main objectives are promoting alternative socio-economic practices that enhance democracy and solidarity and bring alternative movements together.

Solidarity Economy transcends many fields, from energy cooperatives, to ethical banks, to Participatory Guarantee System.

Fair Trade fits with RIPESS's vision of social market ecosystem, based on cooperative production, ethical finances, responsible consumption and fair trade and distribution.

According to Jason, what WFTO can offer to a possible alliance with RIPESS EU would be its expertise in developing tools for evaluation / guarantee systems, its knowledge and know how in logistics and distribution circuits but also in pre-financing, solidarity funds, collective consumption; its experience in promoting common price transparency policies; co-organising fairs/expos and campaigns. While presenting some challenges, Jason invited WFTO to join the discussion on the World Social Forum (WSF) in Barcellona, a good opportunity where to discuss how to concretely create synergies at international level and how to find co-promoters at national level.

Workshop on the WFTO-Europe Committee on Retailers and World Shops

World shops represent an important share of WFTO-Europe membership, especially since the historical network of European world shops (NEWS) ceased to exist in 2011. In 2012 the Retailers and World shops Committee was set up with the aim to facilitate the cooperation among European Fair Trade Retailers and define a common strategy at European level. **Gabriella D'Amico** et **Stephan Nielsen** (Associazione Botteghe del Mondo and Fairforward, both WFTO-Europe Board Members and Cochairs of the Committee on Retailer Standards and World Shops), exposed the main challenges faced over the years: low members' participation, lack of concrete outputs to allow the Committee to move forward in the achievement of its objectives, change in the context where world shops associations used to work.



Research about European world shops was conducted in 2018 and main outputs were presented to members attending the workshop. On the round table, 3 monitoring system models for world shops resulted to be the most adopted: the Swedish one, where a network of independent shops uses a Self-Assessment Report (SAR) as main monitoring tool, with a specific clause to have external monitoring visit when the revenue is more than 150k; the France one, where a peer visit and a document similar to WFTO's SAR are adopted; the Germany and Italy ones consisting on an independent monitoring system based on WFTO principles and Iso9001 quality management audit carried out every 3 years with the SAR.

Other situations depicted where the ones from Finland, with an independent NGO and not importing associations have a monitoring system composed by purchase information and audit. Conversely, the 39 world shops present in UK don't have monitoring system, and Fairtrade mark and FLOcert are more famous than WFTO.

At the end of the workshop for the WFTO, main demands addressed to the Committee were to create tools to implement the Retailer Standard and the creation of a space where to share ways to face critical issues.

Thank you

"Thank you for these inspiring and fruitful discussions. Thank you for keeping high our motivation, working towards a fair and more sustainable world for everyone. You have showed us once again that you are the soul of our network. Despite the challenges we face in working towards our vision, by inspiring and supporting each other, we are on the right track."

Francesca Giubilo, Regional Coordinator of WFTO-Europe





