



EUROPE

Conference Report

CONNECT & ACT EVENT

6th and 7th June 2019

@ Maison des Associations Internationales
Rue Washington 40, 1050 Brussels





EUROPE

CONTENT

Introduction.....	3
Day 1, 6 June.....	4
Public Event: "<i>The role of mission-led businesses in pursuing global social and environmental justice</i>"	
Training on Domestic Fair Trade.....	5
Parallel workshops.....	6
1 - Internal Monitoring System (IMS)	
2 - Retailer models and their evolution	
Day 2, 7 June.....	7
Training on Fair Payment	
Open space.....	8
Governance	



INTRODUCTION

WFTO-Europe's "Connect & Act" event took place on 6th and 7th June 2019 followed by WFTO-Europe's Annual General Meeting (AGM) held in the afternoon of the 7th. The event was funded by the European Commission via the *Trade Fair Live Fair* project and gathered more than 60 people from 13 different European countries. This provided valuable space and opportunity for members and prospective organisations to get in touch, share experiences, and raise important issues faced in the implementation of Fair Trade practices as well as the membership in general. In the morning of the first day (6th June) we were additionally joined by members of like-minded movements for discussing cooperation and common goals around the theme of social and environmental justice.

"Connect & Act" took place in Brussels at Maison des Associations Internationales (MAI), with day one dedicated to a session in the morning co-organised with the FTAO gathering participants from the organic, social & solidarity economy, and similar movements, followed by a networking lunch; as well as training sessions on the concept of Domestic Fair Trade; the Internal Monitoring System (IMS) and retail models and their evolution.

Day two was dedicated primarily to presentation, training and discussion on Fair Payment policy and process. The main aim of this two-day meeting was to strengthen the connection between Fair Trade and environmental topics, as well as to reinforce the capacity of mission-led business models to foster their Fair Trade practices even better across the supply chain and to provide concrete examples on how Fair Trade can concretely contribute to the achievement of the SDGs.

Following this there was open space for participants to arrange their own sessions or discussion groups.

The afternoon was centered around updates on WFTO activities and changes in the responsibilities of WFTO Global vis-à-vis the Regions, and the members' meeting finished off with the WFTO-Europe AGM in the late afternoon.

We at WFTO-Europe were very happy to see the active and passionate engagement by all members and participants. We are grateful for all contributions to discussions and sessions that have made us better understand the situations and issues of our members, so we can reflect on how we might support mission-led enterprises in their daily Fair Trade work.

We were in particular happy and grateful for the tremendous efforts and contributions of our key guests, Rain Morgan (responsible of Turqle Trading, former chair of WFTO Region for Africa and Middle East, and of the WFTO Global Working Group on Fair Payment); and Pieter Swart (member of the board of WFTO Global and responsible for Turqle Trading).

Additionally, we extend our thanks to Erinch Sahan (WFTO Chief Executive) and to Tamara Cobussen (WFTO GS Manager), who contributed significantly several sessions. They, respectively, presented on the unique mission-led business models of the WFTO membership, as well as on key clarifications for several training sessions.

DAY 1

PUBLIC EVENT

"The Role of Mission-led Business Models in Pursuing Global Social and Environmental Justice"

This joint event by the Fair Trade Advocacy Office (FTAO) and World Fair Trade Organization Europe (WFTO-Europe) gathered diverse representatives from social and environmental movements.

During panel discussions and interactive group sessions, Fair Trade enterprises, NGOs and CSOs from the environmental, social and solidarity, and green economy movements, policy-makers and trade unionists debated the interconnection between social and environmental justice. In particular, the current economic model was dissected to identify some of the changes needed to make development not only sustainable, but also fair.

First off, WFTO Executive Director, Erinch Sahan, presented on mission-led enterprises with examples from the WFTO membership. Since such enterprises are driven by their mission, which is often a social one, they are able to prioritise considerations for people and planet over the concern with maximising profit. Indeed, among the examples given, several do up-cycling of materials or engage in circular economy. Green Glass in Chile transforms waste bottles into drinking glasses; and Rice & Carry in Sri Lanka up-cycles waste material for fashioning bags, to name just two.

Following this was a panel debate with Sarah McKinley from the [Wellbeing Economy Alliance](#) (WeAll), Georgios Altintzis from the [International Trade Union Confederation](#), and Leida Rijnhout, a freelance consultant on sustainability and systemic change. The moderator, Sergi Corbalán, executive director of the FTAO, asked each panellist to "connect the dots" between social and environmental justice, then to help all present make sense of how to act while balancing both. Among



the main points raised in the discussion were the need to alter the current economic structure; to create a new identity among the different movements – for identity compels people to act; to avoid the false dichotomy between social and environmental justice which often divides like-minded actors; and to approach these issues both bottom-up (through grass roots) as well as top-down (through policy and legislation). It was also pointed out that both social and environmental justice require costly choices and policies and where the burden of this price falls must be considered carefully to avoid push-back like the *Gilets Jaunes* (the *Yellow Vests*) in France (sparked by a fuel tax). This often leads to the common obstacle to action: dividing the two justices and handling one first – for example social justice to the detriment of the environment, since it is argued that the environment will then be fixed, once social justice has been achieved. Here mission-led enterprises play an important role, since they are able to combine the pursuit of both social and environmental justice simultaneously into a viable business model.



For the latter half of the event, participants divided into discussion groups to digest the inputs from the panel debate. All groups were clearly animated by the panel speakers despite the difficult topic at hand. When all gathered to wrap up there seemed to be consensus on certain points in particular: The need for support from policy-makers to facilitate sustainable and mission-led businesses in prospering; for transparency for consumers; and that the DNA of enterprises makes a needed economic change possible. Importantly, there was agreement that collaboration between Fair Trade, environmental movements, Social and Solidarity Economy, and the like will clearly benefit

all – together all can achieve more of each other's goals, many of which are overlapping. In short, all are part of the New Economy which must balance social needs with planetary boundaries.



DOMESTIC FAIR TRADE

In 2017, WFTO members approved a resolution to introduce the new concept of Domestic Fair Trade. As highlighted in the [WFTO-Europe factsheet](#), the concept of Fair Trade has been universalised. Also Producers from the North can now be considered Fair Trade as long as they comply with the basic membership requirements of the WFTO Fair Trade Standard plus some additional criteria. This new concept has allowed WFTO members to start including Northern Fair Trade producers within their Internal Monitoring System (IMS) and eventually use the WFTO label for their products, too.



Starting with the explanation of the resolution of economically marginalised producers, the introduction through the

IMS and the additional criteria for Northern Fair Trade producers, this session was aimed at sharing the current stage of this new approach of “Domestic Fair Trade” and the main challenges faced in the implementation of the concept at national level.

Some of the risks mentioned by WFTO-Europe members are the difficulties to introduce this concept within the IMS when suppliers are not guaranteed members, and that this may create new competition for producers in the South. On the other hand, it was clearly stated as an opportunity to redefine Fair Trade and deconstructing outmoded positions, considering also the definitions of poverty, living income and economically marginalised producers. But also, opening market opportunities and wider range of products combining traditional Fair Trade products with new Northern ingredients and unifying the Fair Trade movement by creating new synergies and networks at the local level and stronger North-North relations. Finally, some of the open questions raised to follow up on are deepening the concept of “*economically marginalised producers*”, the geographical scope and to keep on strengthening the Fair Trade system and the standard to break away from this geographic division of North and South.

INTERNAL MONITORING SYSTEM

The workshop on Internal Monitoring System (IMS) was moderated by WFTO-Europe board member Stephanie Brookes (senior project manager at Traidcraft Exchange in the UK). Initially, Tamara Cobussen clarified some recent improvements to IMS and addressed questions frequently asked by members in reporting on their IMS. Running through her presentation and the following Q&A was the key principle of the IMS: Verifying that producers and suppliers are living up to the Fair Trade Principles – all the way down the supply chain to the level of the workers.



Following this, Birgit from EZA in Austria presented their IMS as one example for inspiration to organisations who might be less confident in the implementation of an IMS. The EZA version is developed to assess – and document – the compliance of producers and suppliers with the 10 Fair Trade Principles. It comprises all the different aspects to be covered in one document with six steps. The structure gives a straight-forward guide to collecting and documenting the necessary information. More importantly, it also covers an assessment of the trading (and working) relationship with producers and suppliers, and the final step is to agree together with the given producer or supplier, what and how to improve on the implementation of the 10 Principles.

The workshop concluded with group discussions among members and prospective organisations. The main points raised were needs to foster collaboration and to exchange best practice.

RETAILER MODELS AND THEIR EVOLUTION

The workshop on Retail Models kicked off with a presentation by Geoff White, Chief Executive Officer at [Trade Aid Importers Ltd.](#) in New Zealand. He gave valuable inputs and outlined experiences as inspiration for participants to develop their business and pool resources in order to, together, take advantage of economies of scale and take on key challenges currently faced by Worldshops and retailers alike. After this followed group discussion for exploring how to be more competitive in the new era of e-commerce; which marketing strategy to relaunch for Worldshops; and how to better connect with new ethical shops and local initiatives.

One key idea that seemed to resonate among many participants was to link up and collaborate more broadly with the Social and Solidarity Economy through their networks. Promoting values to ordinary shops, collaborating with super markets, and engaging more in local Trade Fairs were also raised as similar ideas. E-commerce was, of course, also discussed extensively, but initially the experience is that though it seems like an easy tool, it turns out to be very time and resource consuming. In particular it requires capacity and investment along with a proper marketing strategy. However, e-commerce certainly has potential, and in order to begin moving towards full-fledged e-commerce in the future, participants suggested using social media as supporting platforms. Here, story-telling was stressed as a particularly useful tool. However, identifying target groups and key messages remain key with this method too.

Similar points held sway on marketing strategy. But most importantly, despite the challenges identified, the discussions seemed to give participants new energy and dedication to cooperate, share experiences and pool resources to move into these fields in order to further build their businesses as part of a collaborative movement.

DAY 2

TRAINING ON FAIR PAYMENT POLICY

Day two of "Connect & Act" was mostly dedicated to the question of Fair Payment Policy and training on the Fair Payment Process. Rain Morgan, the former chair of the WFTO Global Working Group on Fair Payment, presented on the latest developments on the Process and addressed the most frequently asked questions from members. First, however, Peter Williams presented as an external consultant commissioned to research and analyse challenges and good practice within the European membership in the implementation of the Process. The research is part of the EC-funded *Trade Fair Live Fair* project and the key findings on challenges were laid out to members: Seeming complexity of the Process (turns out to be a perception rather than reality); risk of duplication of efforts; and the managing of price escalation along supply chains. Best practice for overcoming these challenges were identified as involvement of buyers; sharing of data; and cross-supply chain agreements to restrain margins so all contribute to mitigating price escalation resulting from Fair Payment to the marginalised producers and workers.



In Rain Morgan's presentation following this it became clear that many of the recommendations identified in the research are already planned components of the Process. As Local Living Wages are calculated by members in different localities, a database will be build as a helping tool for members implementing

the Process, as well as to facilitate continuous improvement in line with the WFTO spirit.

WFTO-Europe president, Juanjo Martínez, then shared experiences with all on a pilot project on Living Wage carried out by Oxfam Intermón (Spain) with producer groups in Bangladesh. In laying out how they approached the challenges faced, he urged all to remember that they are implementing a process. Continuous improvement is the key along with a long-term strategy towards ensuring Local Living Wages for all producers and workers involved.



Lastly, Tamara Cobussen and Jette Ladiges gave updates from WFTO Global on the implementation of the Fair Payment Process. In particular, the development fund *Brot für die Welt* will fund training and capacity-building workshops for members on the Process and the nitty-gritty details of its implementation. Ensuring high knowledge and expertise on working on the Process within the membership is a high priority for WFTO Global.

Throughout the presentations, training and the final group discussions, questions and comments raised were noted to ensure they could be taken up in another, appropriate forum, in case there were not enough time to address them at this session. We at WFTO-Europe will give particular attention to these in our further work on Fair Payment.

OPEN SPACE

After the presentations and training on Fair Payment, open space was provided for participants to organise workshops or discussion groups of their own or alternatively use the time for networking or sharing experiences directly with other participants. Some workshops had been announced by participants in advance, while a few were suggested on the day in the spur of the moment. Some of the workshops conducted were:

Business importers distribution model

Pieter Swart and Martin Moritz presented a proposal for a different distribution model for importers of Fair Trade products. The main thrust of the model is to look at ways to increase efficiencies in getting stock from producers to retailers whilst at the same time decreasing the actual import costs and the stockholding of the importers. One of the options discussed is to create an online wholesale portal which allows retailers to place orders directly with artisans and where the importers play more of a facilitating role without having to purchase and warehouse the stock.

MADE51

The global MADE51 initiative in which refugee artisans are included in sustainable value chains was presented. The collaborative effort of UNHCR, social businesses, WFTO members, WFTO and other partners was emphasized and followed by discussion on how retailers and wholesalers can become active by carrying the MADE51 collection. Find more information on MADE51 [here](https://made51.org), or reach out to us through info@made51.org.

Fair Share e-learning tool

This tool is dedicated to fair traders and available for free. The session introduced the platform, the course catalogue and the various tools (lessons, material storage, forums, webinars), and participants were shown teacher account functions to create modules that fit their organisation's specific training needs.



GOVERNANCE

Prior to the Annual General Meeting which immediately followed the "Connect & Act" members' meeting, time was dedicated to the recent changes in the governance structure of WFTO. These changes mainly mean the centralisation of all the aspects of the Guarantee System at the WFTO Global office and no partial decentralisation to the Regions anymore.

In this connection, we at WFTO-Europe are keen to instead provide other kinds of services to support our members in their Fair Trade endeavours.



A group discussion took place, while input from all participants given on post-it notes were collated to identify the areas, where members wish for support or for WFTO-Europe to improve our work. Based on the input received we engaged in starting a consultation process with members from October on aiming at elaboration the new 2020-2023 strategic plan.

THANK YOU

"I was delighted to see so many people attending the public event as well as the training sessions we organised. It is always inspiring to see the strong commitment of mission-led business organisations to foster even more their Fair Trade practices and to provide concrete examples on the crucial

role that Fair Trade plays in the implementation of the SDGs. I look forward to meeting even more people in the next Meeting in 2020 and building up a stronger group of actors working together to shape a new economy, inspired by the work that our Fair Trade enterprises do on a daily basis."

*Francesca Giubilo,
Regional Coordinator of WFTO-Europe*





EUROPE

CONTACT

World Fair Trade Organization Europe asbl

Address:

Rue Washington 40
1050 Brussels

Telephone:

+32 (0)2 640 63 86 (office)

E-mail:

administration@wfto-europe.org
projects@wfto-europe.org



This publication has been produced with the financial assistance of the European Union. The contents of this publication are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European union.

