

Board meeting WFTOE – Brussels, February 6th 2020

Present on that day:

- Estelle Vanwambeke
- Stephanie Brookes
- Cassandre Maury
- Jean-Christophe Galland
- Juanjo Marinez
- Leida Rijnhout

Via Skype:

- Giorgio Dal Fiume
- Giorgios Ploumbidis
- Ilias Z

Update from the office

2 FTAO meetings: They are working on terms of reference for a group that could be working on long term strategy 21 -25.

Facts regarding FT in Europe for the past few months

Oxfam is in financial difficulty, they're going through a restructuration process, so it's currently their main focus. The commercial strategy has become one of the main objectives, which causes **HR problems** as a lot of workers have now to work on the commercial strategy, and to be more profit oriented even though it's not their job at all.

French market: there is a new law on relations between companies and retailers that makes it **harder for SMBs to negotiate with retailers** (the law favors big companies). Multinationals are going into the **organic market** (which is not to be confused with FT, but for consumers it's the same, which makes it hard for FT companies to stand out). Organic takes more and more space in supermarkets. FT requires a lot of communication now.

Commerce Equitable France : northern FT is taking more and more space.

EFTA meeting: **world shops** are struggling. But on the other hand **FT and organic products are trendy**, and very present in city centers, consumers are really interested in these kind of projects, so it could be turned into an opportunity. The problem is the presentation of the products that is too old fashioned. There is a real need for a new economic model that recruits dynamic people.

Spain has seen big demonstrations of farmers for the 1st time in 20 years. The farmers are asking for a better price for the products as they've been under the pressure of the supermarkets and their constantly lower prices. There is a need to change people's minds, as buying quality products for a cheap price is not a viable economic model.

UNCTAD report (Geneva) : some research has been made about alternative business models. Members have been surveyed and asked about their models, support to producers, FT practices... Outcomes: Even though some characteristic models have been identified, none of them stood out as more successful than the others.

EESC: Erinch will go to the conference about alternative business models

The situation in **Italy** is similar to EU countries: it is tricky for Trade organisations.

Good results however with the Christmas sales that went up compared to last years. The Italian economic and social situation isn't going down anymore, and there are more **investment in world shops** (in communication mostly). The landscape similar but there is a sign of reaction and **possible changes** for the future.

Altromercato started promoting sustainability of the world shops, related to climate crisis issue. For now this project is too ambitious compared to the available funds, but the situation is bettering. They're also promoting circular economy and the reduction of carbon impact.

Others

The **organic boom** has been highlighted as an opportunity. If we want to move forward we need to be closer to organic shops and increase the knowledge of the consumers (about the labels mainly).

Young and dynamic generations are an opportunity to spread the word and logo.

Strategic plan

1/3 answered the survey which isn't much.

Global also sent a survey at the same time which might have caused a confusion.

Mission and vision

Most agreed on changing it, as there is a confusion on the definition of a fair producer. 2 visions:

- Should it be mandatory for producers to be marginalised and have difficulties to integrate in society?
- Or should it simply include producers with fair and ethical practices and social enterprises.

There is a general agreement on the fact that we need to broaden our network and cooperate with organic organisations etc.

We need to define the business model we want, and the people we want to include (e.g. should we include young entrepreneurs/ « hipsters » surfing on the organic and ethical trend etc.)

Priorities

We need to increase market accessibility through **network**. Therefore, we should get members to know each other better, work on economies of scales, share marketing costs, work more together also for language difficulties. There is a need for companies to know each other within the network (most of them know 20-30 out of 110).

The strategic plan should make WFTO **more attractive to members**.

==> How can we do more for them ? How can we help members to be more attractive to customers?

Also

Do we need to regulate more what is **domestic FT** in Europe ?

We need to grow and this goes by working with northern producers.

CCL

Discussed points will be added and put online so that everyone can participate, followed by a skype for the remaining points to discuss.

Figures and finances

Financial report 2019

We have received the funds from FT international and membership fees are on their way.

However, the deficit is estimated between €10k and €20k

Also, the Belgian grant BTC is not covering staff costs, which causes the HR expenses to be higher than estimated.

Suggested solutions

We need to **involve members** more, especially for local grants. For example, the French and German governments are interested in projects involving northern producers. We need to invite members to collaborate with us on projects, and to make us appear more relevant.

Creating a **group of fundraising** people could be an idea to implement that, where members could pass ideas and opportunities when they see them.

In France, Kronembourg Foundation often publishes tenders and fundraising opportunities to support sustainability-related projects.

Also, to save money we could **reduce office costs** by merging the offices with FTAO or FI. This will also reduce accounting costs as there will only be one contract instead of two.

We could **raise the membership costs**, but a significant amount would be needed (ca. 400€ per member, which for some members would double their fees!)

This could be done progressively to reduce the impact on our members' finances, and there should be an important and efficient communication around it to justify such a raise.

The budget for 2021 will be prepared after the elaboration of the strategic plan.

AGM

What has been decided?

The guided tours on Wednesday morning have been replaced by relaxed walks and sightseeing. The AGM will take place on Friday morning as some of the participants will have to leave early and a quorum is needed. Therefore it is important to have a maximum of participants.

In the afternoon, « How to » workshops will take place to help defining which actions will be implemented in practice to achieve our goals.

Questions such as the financial situation and domestic Fair Trade will be discussed during the morning.

What still needs to be done

For the 1st plenary event it would be good to have someone a bit outside the box, out of the FT movement, with new ideas. Maybe someone in Fashion?

Parity is important so we should keep an eye on it.

Idea for the « How to » workshops —> how to integrate the ethical trading market?

For the next meeting

- Have a look at the Strategic plan and provide some ideas regarding what additional services we can provide to our members ; how to improve our attractiveness and thus our membership ; how to improve our network and how to make it beneficial for our members
- Come up with some names and workshops for the Greek conference