ANNUAL REPORT 2021-2022

EUROPE





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FOREWORD

Dear readers,

I am happy to say that 2021 has been a busy year for WFTO-Europe. Building on the experience of the big, three-year EC- DEAR project, Trade Fair Live Fair, we are now doing many more, yet smaller projects. We have kept our strong collaboration with like-minded organisations, especially CONCORD Europe and International Cooperatives Alliance (ICA) within the Sustainable Economy Working Group hosted by CONCORD Europe. This way we have been working on the three pillars of our strategic plan:

Network: The FASS-Food project involves some of our members directly and provides research on elements that enables mission- led business models to grow and be replicated. Additionally, we have conducted focused research on Northern Producers, especially looking at how specific criteria for them can be better defined and clarified.

Advocacy: Together with the partners of the Sustainable Economy WG we have been promoting the WFTO approach through our joint term, Sustainable and Inclusive Business Models (SIBMs). Most recently, we had an event with speakers from the European Commission as part of the EU-Africa Business Forum. We have also established a direct and strong collaboration with EC officials working on the EU's sustainable development objectives and we see how they increasingly speak the same language as us.

Outreach: We have continued our tradition of a yearly members' review that explores different good Fair Trade practices contributing to the SDGs. And as many of you have noticed, we are increasing our efforts to stay in direct contact with you to hear more about your current projects and challenges.

The Covid-19 pandemic has naturally affected us throughout 2021 and continues to affect us even now. Less and less directly through lock-downs and restrictions, but more and more through derived effects such as high transport costs, freight disruptions and rising costs - and prices. We are constantly taking all your inputs to heart and in recent months we have in particular been working on a proposal for members to collaborate on transportation. We believe this is the most useful and significant initiative that could strengthen our European membership in the long-term future. We will involve you during 2022 to get this ship sailing at full speed.

On behalf of WFTO-Europe,

Juanjo Martínez, President of the Board.



Home of European <u>Fair Trade Ent</u>erprises

Who we are

The World Fair Trade Organization-Europe

(WFTO-Europe) is the European branch of the World Fair Trade Organization (WFTO), the worldwide network of Fair Trade enterprises. Currently WFTO-Europe is formed by 110 members: among them 85 Fair Trade enterprises, 19 Fair Trade Networks (FTN) and 5 Fair Trade Support Organizations (FTSO), along with 2 associated organisations in 18 different European countries. Together with the other regional WFTO branches in Latin America, Asia and Africa, we gather a global network of innovators practicing fairer and more sustainable business models.

Our mission is to advocate for more equity in trade and economic relationships and to promote Fair Trade in Europe through the implementation

of a credible and sustainable Fair Trade system.

WFTO-Europe aims at building a world where Fair Trade and trade justice are the keystones to mend the problems of the current economic model. Nowadays companies make every decision based on the pursuit of growing profit, but Fair Trade enterprises demonstrate that an alternative is possible, balancing the social mission of prioritising the interests of workers, farmers, artisans and communities with high environmental standards and efforts to reducing businesses' impact on the climate, while achieving commercial viability.



Home of Fair Trade Enterprises

More than just a label

For the reasons mentioned above, the WFTO brand is more than 'just' a label. Our approach of an 'integrated supply-chain route' has created a system in which all the actors across the supply chain (from producers, to exporters/importers wholesalers, retailers, etc.) are jointly committed to Fair Trade and fair practices.

All WFTO members need to pass to a Participatory Guarantee System (GS) to ensure that they act in

accordance with our 10 Fair Trade Principles as a whole organisation. The Guarantee System is also a mean to encourage members to constantly improve their practices in order to have a stronger impact on the producers' lives and anyone involved in the supply chain.



Membership Growth

During 2021 WFTO-Europe welcomed 10 new Provisional members, four of which have already become a Guaranteed Member!



MEMBERS OF



WFTO-EUROPE

AUSTRIA - 3

ARGE Weltläden EZA Fairer Handel Zotter Schokoladen Manufaktur

BELGIUM - 4

Belgian Fair Trade Federation Elecosy bvba Oxfam-Magasins du monde Oxfam Wereldwinkels *

BOSNIA AND

HERZEGOVINA - 1 BHcrafts doo

CZECH REPUBLIC - 1

Fairtrade Czech Republic and Slovakia

CROATIA - 1

Linteo d.o.o. *

DENMARK - 5

Egos ApS Elvang Denmark A/S En Gry og Sif Fair Trade Denmark U-landsforeningen Svalerne

FINLAND - 4

Mifuko Ojoba Collective Tampereen Kehitysmaakauppa The Finnish Association of Worldshops

FRANCE - 17

ALLPECO Bouga CacaO Café Michel - Terra Etica SCOP **Commerce Equitable France** Dardenne Esonalis * Esperanza Café SAS Éthiquable Fédération Artisans du Monde Karethic (Terrethic) La Compagnie Éthique Les Jardins de Gaia L'attelier Les Mouettes Vertes CMC Malongo MYUM * Solidar'Monde

GERMANY - 21

Africulture Cha Dô Teehandels GmbH Chotanagpurgruppe Eco Terra El Puente Fair-Band FairMail Cards Fair-NETZ * Forum Fairer Handel **GEPA Fair Trade Company GLOBO Fair Trade Partner** Heidelberger Partnerschaftskaffee* Khoisan Trading * Mekhada * Mitka * Nepalava * Nyuzi BlackWhite Ökotopia * Paigh Weltladen-Dachverband WeltPartner eG

GREECE - 2

Syn Allois * Greenland Co Farming *

ITALY - 7

Associazione botteghe del mondo CTM Altromercato Soc. Coop. CTM Agrofair Italy Cooperativa Sociale Alice Equo Garantito Palingen srl * Libero Mondo scs *

NETHERLANDS - 12

AlchemiA Amandla EFTA (European Fair Trade Association) Esgii * Kanika * Resirest Sarana See Me Seepje * Siyabonga * Tahoua Import Zimba-Arts *

NORWAY - 1 Indo Naturals *

muo Naturais

POLAND - 1 The Polish Fair Trade Association

ROMANIA - 1 S.C Networks Trading Srl - DECE

SPAIN - 5

Coordinadora Estatal de Comercio Justo (CECJ) EquiMercado * Fundacion COPADE España Fundación Isabel Martín * Oxfam Intermón

SWEDEN - 3

The House of Fair Trade Fair Monkey ekonomisk förening The Swedish Organisation of Fair Trade Retailers

SWITZERLAND - 4

Association Romande des Magasins du Monde (ASRO) El Tucan Gebana Tropical Mountains

UNITED KINGDOM - 17

Artisan Life* BAFTS Ecoffins Fair Trade Scotland Greater Goods Island Spirit Just trading Scotland Mayamiko * People Tree **Re-wrap Association** Scottish Fair Trade Forum Secret Pillow Project * Shared Earth Shared Interest The Fair Trade Furniture Co Traidcraft Exchange Traidcraft PLC

* Provisional Members are those, who are yet to complete the full auditing process of the Guarantee System.





Fair Fashion + Climate Conversation on COP26

On 21st October, WFTO-Europe and WFTO Global, in partnership with the Fairtrade National Campaigners Committee in the UK, organized a live panel on Fair Fashion and Climate, focusing on how Fair Fashion Enterprises are part of the solution to climate change. It is well known that the fashion industry has significant social issues and a big, negative impact on the climate – but how big? Where do the social issues intersect the climate issues? Matteo Ward, fashion activist, spoke with four distinguished guests with insights to offer on what the solution looks like, zooming in on existing alternatives that make a difference.

Overall, the conversation highlighted that the Fair Fashion alternative already exists. The participants painted a broad picture of what Fair Fashion Enterprises look like, what they do in practice that is different and how citizens and consumers can tell the difference from greenwashing. Please help us share this message with your own followers and through your networks, so more people realize that the solutions do not need to be invented anew. They already exist and the WFTO logo is one way to recognise businesses that are verified by their focus on more social and environmental sustainability.

FASS-Food

WFTO-Europe participates in this project for researching and promoting good models for food systems that are Fair, Accessible, Sustainable and Short (FASS) – it is funded by the University of Antwerp with professor Tomaso Ferrando leading and with WFTO-Europe and FTAO as partners. After a full year of the project, research on three case studies has been carried out: On Kort'om Leuven in Belgium, Solidale Italiano in Italy, and Syn Allois in Greece.

Further, the FTAO has carried out two policy-focused workshops for collecting input from policy-makers, academics and other stakeholders on enablers and blockers of the scaling-up and proliferation of FASS models for food businesses and systems. At WFTO-Europe we have been supporting the pilots as well as mapping further FASS-like initiatives in the same countries from which we will collect further input directly "from the field."

As the final part of the project one workshop per case will be held over the summer to present findings and to gather additional insights, ideas and good FASS-Food practices.





Climate Change Workshop (16th June)

In connection with our 2021 AGM, WFTO-Europe organised a climate change workshop in collaboration with Les Jardins de Gaïa and one of their close partners, Noel Oettlé, who holds a diploma in Agricultural Development and is senior advisor to the Environmental Monitoring Group.

The workshop delved deeper into the increasingly strong links between Fair Trade and climate action. Cassandre Maury, director of Les Jardins de Gaïa, presented their different initiatives for reducing their carbon emissions, reducing waste e.g. from packaging and eliminating use of plastics. Noel Oettlé shared his expert knowledge on how Fair Trade can contribute to global climate action. He

CREATE Project (Erasmus+)

The CREATE project is funded by the European Commission's Erasmus+ scheme and was kicked off at the end of 2021. It comprises Greek, Swedish, Italian and Spanish partners for empowering women from marginalised groups in Europe to become entrepreneurs in circular and fair fashion. The aim is that the initial participants in the project can further train new entrepreneurs so the trend can spread like ripples in a pond.

Over the course of the project, WFTO-Europe will

further shared practical insights and experiences from the South African rooibos producer, Heiveld Cooperative, in their efforts to improve the resilience and sustainability of their production. The importance of social sustianability was highlighted since soil erosion was identified by farmers as both a cause and an effect of poverty, for example. In brief, he held that local realities and perspectives of local communities must inform global policies on climate action in order for these policies to work.

The workshop was a welcomed opportunity for members to share points of view, initiatives and experiences in climate action from their business.

contribute to a handbook for entrepreneurs to desing, produce and market capsule collections that empower and are inclusive for marginalised women. We will further participate in a training of the first entrepreneurs that will themselves become trainers, and then we will contribute to a collection of tools and resources for further learning. Additionally, WFTO-Europe leads on the communication and dissemination of the project.

Équité project: Building Fair Bridges - West Africa

Our project, Building Fair Bridges – West Africa, a collaboration with WFTO-Africa & Middle East and Fair Trade Lebanon, has been going on for one year now. The project is centred on supporting a group of producers in West Africa on implementing Fair Trade standards and on their path to WFTO membership over the long-term.

WFTO-Europe collaborated with a consultant to develop a report on market access to the Single Market for the producers in West Africa – this is a resource which instructs small producers on procedures for exporting the EU Single Market, outlines the necessary expertise and advises on how to partner with importers. Hopefully it can also be useful for businesses seeking to work with this kind of producers as an easy "toolkit" that gives the producers basic, vital information on exporting to the Single Market. If you are looking to work with such small producers in Africa (both food and non- food products, crafts, textiles, decor, cosmetics, etc.).

For the final year of the Building Fair Bridges project, WFTO-Europe will collaborate with WFTO-Africa & Middle East on information materials on the West African producers and their work. We have further been making preparations for representatives of the producers to visit the Berlin Summit of WFTO Global in Berlin in August.



LEARNING

Members Review 2021

Opportunities for

Transparency &

2 Fair Trade

For World Fair Trade Day this year we published the third edition of our Members Review. This year's edition focuses on the trading relationships between Fair Trade Enterprises and their trading partners across the world. Since, by definition, Fair Trade Enterprises put people and planet before profit, their trading relationships have a special focus on mutual benefits, equal terms and capacity building for continuously improving together.

The selected WFTO-Europe members in this Review exemplify several inspiring approaches to such fair trading partnerships. In addition, the Review contains examples of ways in which these members have supported their producers during lock-downs or vanishing demand during the recent Covid-19 pandemic, and how they have similarly supported local shops in Europe suddenly unable to sell to their customers. Altogether this makes for models of business that are much more resilient. Most importantly, this approach to business is clearly a key element in making an entire business fully sustainable and we hope that companies in general will learn from and be inspired by it.

Read the WFTO-Europe Members Review 2021 to learn about 6 of our members, the strong relationships they maintain with their producers, and why that matters for sustainability, human prosperity, and resilience!

Read the Review here:





FAIR PP P P G ANIZATION EUROPE

THE FAIR TRADING RELATIONSHIPS BETWEEN PRODUCERS & FAIR TRADE ENTERPRISES

World Fair Trade Day 2021 #BuildBackFairer

WFTO-Europe joined the campaign led by WFTO Global on promoting the slogan, *Build Back Fairer*. The campaign consisted of two main activities. Firstly, policy makers and influencers were asked to send in a picture with the BuildBackFairer banner to promote structural change. Secondly, everyone could share a picture on social media, preferably in front of their local fair trade (online) shop. The campaign had the biggest outreach in the history of WFTO, in particular thanks to the amazing efforts of Worldshop volunteers in several countries, as well as great support and resharing of ally movements. Together we are strong!

International Women's Day 2021

Our videos featured EZA Fairer Handel, Zotter Schokoladen Manufaktur and Fair Trade Shop Innsbruck from Austria, BHCrafts from Bosnia and Herzegovina, Just Trading Scotland from the United Kingdom, Fair Moms from France, and Mifuko from Finland. The participation of our members in these videos permitted to have different insights on the places of women in Fair Trade organizations.

During the week leading to IWD, WFTO-Europe also participated in WFTO Global's Campaign of #WomenOfFairTrade that #ChooseToChallenge by posting on our Instagram page one member a day that contributes to women's empowerment, each in different manners. Fair Trade enterprises represent greater equity between workers and therefore greater equality between genders, and they contribute to women's path towards equality.



Research on Northern Producers

Since the WFTO Summit in Delhi in 2017, WFTO has included Fair Trade producers based in the Global North in the Guarantee System. This means that producers in all of Europe can now be recognised as Fair Trade Producers, either as full- fledged members or as producers/suppliers for other members. WFTO-Europe has since given this topic additional focus in our work, in order to clarify how these types of producers fit into the Guarantee System and how we can ensure their complementarity to the producers and members based in the Global South. Thanks to the research project of our recent intern Luzia Amon, we have delved much deeper into the characteristics of Northern Producers and especially the value of the WFTO model for them. Building on this work we have published WFTO-Europe's position this topic and why their inclusion is an important development in Fair Trade.

WFTO-Europe believes that we must remove the distinction between the Global South and the Global North in order to truly change the economic system and address the root causes of inequality and labour rights abuse.



WFTO Position on Human Rights & Environmental Due Diligence



Explaining the WFTO Guarantee System in light of the EU Legislative Initiative on Sustainable Corporate Governance and the UN Guiding Principles for Business and Human Rights.

On 26 October, WFTO-Europe published a Position Paper on Human Rights and Environmental Due Diligence. It emphasises that HREDD must be an essential component of any business. This article discusses what it implies in practice and how the WFTO Guarantee System fits into present and prospective future frameworks for HREDD, which will hopefully become essential. If we want to assure a sustainable future for people, planet, and business, these business principles should become the standard.

To learn more, read our position here



EU-Africa Business Forum - Sustainable & inclusive supply chains

As part of our on-going collaboration with CONCORD Europe and International Cooperatives Alliance (ICA), WFTO-Europe led the organisation of a workshop on Sustainable and Inclusive Supply Chains on occasion of the EU-Africa Business Forum (EABF) from 14th to 18th February. This was an extension of a similar workshop held in October 2021 together with Dr. Jody Aked, Ph.D. in Development Studies from IDS.

The EABF workshop was part of our work to discuss and mainstream the concept of sustainable and inclusive supply chain models, driven by social enterprises, and their principles and practices. Our recently Guaranteed Member, Africulture took part by sharing their concrete model and practices, as well as their work with WFTO member ONEWAY in Kenya.

By showcasing WFTO-member practices, our workshop demonstrated to African and European policymakers and businesses the feasibility and positive impacts of mission-led business models. This highlighted the need to mainstream these models and practices and the role the EU can play to enable such a transition.

Reaction to the Social Economy Action Plan - Op-Ed with CONCORD & ICA

WFTO-Europe again collaborated with CONCORD Europe, Cooperatives Europe and Caritas Europa for publishing an oped on occasion of the launch of the European Commission's Social Economy Action Plan (SEAP) launched on 9th December.

Initially, we find the plan to be quite ambitious and well thought out, with the potential to help mission-focused enterprises thrive. Its definition of Social Enterprises will definitely help mainstream the value of these enterprises contributions to society. However, it fails to offer a new vision for an economy that puts the well-being of people and the planet first. And it fails to be truly global in its approach, despite a nod in that direction. The plan, in its current state, recognises the need for sustainable and inclusive business models to be part of the effort to create crisis-resistant societies and economies.

The op-ed is part of our continuous efforts to mainstream the mission-led business models of WFTO's members. Read it here:



Fair Trade Movement joint statement for COP26

The 16th of September WFTO-Europe and Fairtrade International called to introduce a clear, fair and binding mechanism for trade justice in order to achieve climate justice in their negotiations at COP26. Here is the link

We see an opportunity for producers, workers, and consumers to collaborate and implement more environmentally friendly solutions. It's not a case of choosing between climate justice and market fairness. Both are necessary for accomplishing the Sustainable Development Goals (SDGs) and the Paris Agreement, as well as making truly sustainable models function. WFTO-Global, in partnership with WFTO-Europe, has created the hashtag #TradeJustice4Climate with which we ask all interested parties to join us by using the viral context on the internet. correlations between the global economic model and the larger health and environmental crises we are facing, also in the form of loss of biodiversity, deforestation, etc. An economic model where a significant imbalance in power in supply chains means that poor and marginalised producers and workers in global supply chains are being kept in perpetual poverty with unsustainable livelihoods, while buyers/retailers are reaping profits for their shareholders on the back of smallholders' and SMEs' crops and products.

WFTO-Europe once again helped lead the process to create and publish the joint statement of the Fair Trade Movement that firmly establishes Fair Trade as a necessary part of the solutions to the Climate Crisis.

Placing fairness at the heart of climate ambitions

Read the position paper



Looking ahead

The coming year will be the last of our current Strategic Plan which runs until 2023. As in the past year WFTO-Europe will focus more intensely on our strategic priorities of strengthening our network and our alliances, promoting the WFTO Guarantee System and mission-led business models, and creating materials of use to our members and to our outreach.

Since the beginning of 2022 we are already strengthening our collaboration through CONCORD Europe's Sustainable Economy Subgroup, which gathers like-minded NGOs and CSOs - together we continue our strong push to mainstream the Fair Trade principles and practices as part of the concept of Sustainable and Inclusive Business Models. Already this is gaining traction in different fora, both within EU Institutions and the Social Economy environment. We already have trainings agreed with DG-INTPA involving the EU delegations, a workshop at the Social Economy Summit in Strasbourg by the French EU Precidency, just to name a few initiatives.

This year we have no less than three projects on-going with strong additionalities to our strategic objectives. This has made our finances much stronger and our fundraising efforts now have a horizon of 2023 and beyond. With this improved position we are giving more priority to being in much closer contact with you, our members, to involve you more directly in our activities and to maximise your benefits from them. This will be my strongest focus in 2022.

Mikkel Kofod Nørgård, Regional Coordinator of WFTO-Europe

OUR GOVERNANCE



Jan - Jul 2021

Julia Wild Austria Fundraising & Project Management



Luzia Amon Austria Research Intern



Océane Zarcone France Communication & Outreach



Jul 2021 - Jan 2022





Paola Plaku Italy Fundraising & Project Management

Francesca Genovesi Italy Communication and Advocacy

Jan - Jul 2022

(since Jan 21)



Nicla Elena Festa Italy Communication and Advocacy



Income

TOTAL	€ 89.198
Additional income	€ 0
Project grants	€ 26.340
Network membership fees	€ 62.858



Expenses

TOTAL	€ 87.586
Financial costs, services	€ 493
Networking Fees*	€ 16.735
Activity costs	€ 3.087
Travel costs	€ 971
Office costs	€ 7.622
Human resources	€ 58.678

Financial 0.6% 19.1% Activity 3.5% Office 8.7%

BALANCE

€ 1.337

* as founding member of Fair Trade Advocacy Office and full member of Federation of European & international associations based in Belgium (FAIB)

WFTO-Europe



World Fair Trade Organization Europe ASBL

(WFTO-Europe)

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