

Contents

- European Union
- Global Fair Trade movement advocacy & public policy capacities
- Global Fair Trade movement cooperation
- Finances
- Further information

1. European Union

Main areas of work in 2016-2017

The Fair Trade Advocacy Office (FTAO) leads the Fair Trade movement advocacy and thought-leadership work vis-à-vis the European Union. Our goal is that European Union policies, laws and budget contribute to a transformation of trade with a view to achieving justice, equity and sustainability for people and planet.

Advocating for an enabling EU public policy environment for Fair Trade

In 2016 and 2017 the European Union (EU) Institutions published various relevant strategies and policy documents in the areas of trade and sustainable development; virtually all of them explicitly recognise the contribution of Fair Trade (or at least 'fair and ethical trade', as put forward by the European Commission (EC)) to the achievement of the EU's own goal of sustainable development. This includes the EC staff working paper of November 2016 on the 2030 Agenda and the Sustainable Development Goals, the European Consensus on Development of May 2017, the European Parliament (EP) self-initiative report of September 2017 on trade and global value chains and the update to the EU Joint Aid for Trade strategy of November 2017. This would have not been possible without the EP Fair Trade Working Group, an informal group of Members of the EP committed to promoting an enabling environment for Fair Trade at EU level.

As a follow-up to the section on fair and ethical trade in the EU trade strategy document 'Trade for All' (October 2016), EU Trade Commissioner Cecilia Malmström publicly announced the launch of a new Pan-European Fair and Ethical Trade City Award on 12 October 2016. The first call for proposals of this exciting new initiative was launched in November 2017. Other follow-ups include preliminary work in the drafting of a market report on the fair and ethical trade market in the EU, to be carried out by the International Trade Centre, on behalf of the EC. With the leadership of the Chair of the EP Trade Committee Mr Bernd Lange, two breakfasts took place (September 2016 and 2017) with a view to support heads of EU delegations in the Global South to proactively promote Fair Trade as laid down in the 'Trade for All' strategy. This initiative has led to more awareness in EU delegations on the contribution of Fair Trade to the EU's own sustainable development and trade objectives, and various events and workshops organised by the EU delegations.

On 10 May 2017, the EP hosted the Conference 'Promoting Sustainable Value Chains by Linking Small and Medium Enterprises (SMEs) to Fair Trade producers in the Global South', organised by the FTAO, which raised the awareness of EU

policy-makers on the role that Fair Trade organisations have in partnership with EU-based SMEs.

Advocating for fair textile chains

In the field of textiles, the EC issued a staff working paper on 24 April 2017, four years after the Rana Plaza factory collapse in Bangladesh. It laid down the actions of the EC to promote sustainable garment value chains through EU development action. Three days later, the EP issued a Resolution calling on the EC to put more emphasis on promoting consumer awareness raising regarding the production of textile products and on the potential consequences of a demand for ever lower prices. The EP also called on the EC "to present a comprehensive strategy on how development, aid for trade and public procurement policies can support a fairer and more sustainable garment supply chain and local micro-enterprises, by promoting best practices and providing incentives to private sector actors that invest in the sustainability and fairness of their supply chains, from the fibre farmer to the final consumer". Finally, the EP called on the Commission "to go beyond the presentation of a Staff Working Document and present a legislative proposal on binding due diligence obligations for supply chains in the garment sector". In the relevant official conclusions, the Council welcomed the EC staff working papers as an "important first step that should lead to further ambitious efforts in the garment sector that extend beyond development cooperation".



Fair Trade Breakfast at the European Parliament, 2017

Denouncing Unfair Trading Practices (UTPs)

Despite the relative progress in providing an enabling EU public policy environment for Fair Trade, huge imbalances of power in supply chain remain in agricultural supply chains, as the report 'Who's got the power' (see reference on the last page) showed. One of the consequences of such unequal bargaining power is UTPs (e.g. changing prices without agreement of supplier, forcing suppliers to pay for promotions, late payments). These practices affect small producers in the EU and in the Global South alike. With the objective to fight against UTPs by European companies in the food supply chain, the FTAO has been working with the EC, Members of the EP and various stakeholders. In the context of the Make Fruit Fair campaign (see separate box), the FTAO has collected evidence on the widespread presence of UTPs in food supply chains, the impact they have on the farmers that supply our products (regardless of where they are based) and the policy measures the EU could put in place. In particular, the FTAO, its members and Make Fruit Fair partners have been advocating for an EU framework legislation that guarantees a minimum level of protection against UTPs and a mechanism for farmers

to complain anonymously if they have been victims of such practices. It is essential that each Member State offers a system that allows farmers to overcome the “climate of fear” that currently exists, as suppliers are reluctant to complain as they fear being de-listed from the list of agreed suppliers of large supermarket chains. When the retail market is as concentrated as it is, with such a large part of shelf space concentrated in the hands of a few, denouncing publicly UTPs has become something close to a commercial “hara-kiri”. The FTAO was pleased with the explicit recognition by the EC that ‘Member States should also ensure that their legislation covers operators from non-EU countries (for example, primary producers from Africa or Latin America)’ (*European Commission, COM (2016) 32 on unfair business-to-business trading practices in the food supply chain, Brussels 29.1.2016, p 5.*)

Providing thought leadership on imbalances of power in supply chains

The Fair Trade movement is too small to change on its own the imbalances of power in food and textile supply chains. Therefore the FTAO has been working with various partners (e.g., Make Fruit Fair Campaign, European Development NGO Confederation CONCORD, the European Federation of Food and Agriculture Trade Unions EFFAT, the International Trade Union Confederation ITUC, Food Waste campaigning organisation FEEDBACK) to jointly research, evaluate and discuss strategies to address the negative impacts of bottlenecks in supply chains for the objectives of poverty reduction, living wage for workers and living income for farmers. The creation of such a wide coalition of actors interested in addressing this topic is an encouraging progress that we have seen in 2016 and 2017; a good omen for pro-active advocacy action in the years to come.

2020 plans

Advocating for an enabling EU public policy environment for Fair Trade

EP elections will be held across the EU in May-June 2019. After this, a new group of MEPs will ‘come to town’, together with a new EC and College of Commissioners. This is an important milestone. In this context, we will promote ‘fair sustainable production and consumption’ at EU level agenda in the EU, which has Fair Trade principles and sustainable pricing for living income and living wage as key elements. We will invite sister movements to join us in a manifesto campaign for EP elections in May-June 2019. Our demands to the EU will also include specific measures in support of Fair Trade practices and schemes. We will identify them by evaluating what the EU has done in the last years on Fair Trade, identifying gaps and proposing evidence-based proposals.

Advocating for fair textile chains

The FTAO will continue its work for a fair textile supply chain, from (cotton) farmer to consumer by working together with the EU institutions and allies from civil society and business. To unleash fully the potential of public procurement for the support of fair textile supply chains, the FTAO will follow up on the strong call by the EP to the EC and propose minimum quotas, best practices and structural support for those in Europe who are working to have the public buying processes lead by example and ignite the change in the market.

Together with allied movements, the FTAO will push for binding human rights due diligence along the entire textile supply chain, bringing the added value of strong commitment to living wages/ incomes. By constantly raising the question ‘who is going to pay for it?’ we will fight to ensure that the implementation costs of reporting (etc) are not put on the backs of the weakest links in the supply chain; the workers and producers, as we have seen happen in other supply chains already.

Providing thought leadership on imbalances of power in supply chains

A major policy factor in rebalancing supply chains and making markets work for everybody is competition law. The FTAO will work to have competition law in the EU take a more holistic approach. This includes the welfare of producers and workers, i.e. by enabling living wages/ incomes for workers/ producers through sustainable pricing. Also, that the welfare of future generations is taken seriously by adopting adequate calculation models that reflect the long-term detrimental impact of cheap prices

The FTAO will spread this vital and timely debate that has started in the Netherlands (see to Competition Law & Sustainability briefing paper) to other Member States, the EU institutions and regional and global bodies. The FTAO will strive for thought-leadership by pushing the challenging questions forward and connecting the stakeholders in civil society, academia, policymaking and business.

UTPs: The FTAO will engage with policy makers to promote a legislative procedure at EU level for credible and fair enforcement against UTPs which equally protects EU and non-EU farmers against UTPs.

Phasing out Unfair Trading Practices

The FTAO will follow the legislative proposal to eradicate UTPs from food supply chains and engage with key EU decision makers to ensure the EU adopts an ambitious Directive with teeth for the fair and credible enforcement against UTPs, which covers the entire food supply chain, including non-EU producers selling into the EU. Together with our partners in and outside of the EU we will work to ensure that specifically small and vulnerable non-EU producers can in practice use the new mechanisms.

Promoting fair Prices for living incomes in the cocoa sector

The FTAO will advocate for the need for higher prices for cocoa, as one of the key factors to ensure living incomes for farmers. Together with other CSOs, the FTAO will work on policy frameworks that can incentivise companies to pay higher prices. For instance, the FTAO will explore to what extent Human Rights Due Diligence legislative frameworks can consider decent incomes as a Human Right and cover the responsibility of buyers to pay fair prices to farmers. The FTAO will also explore the potential for multi-stakeholder sector-wide commitments on a holistic action plan to ensure living incomes for farmers. For effective MSIs that can discuss prices, the FTAO will work to overcome possible hurdles that competition law might pose, e.g. by calling on the EU to provide guidelines on the interpretation of competition law; to enable cocoa supply chain actors to engage together on the issue of prices.



Fair Trade Advocacy Network Meeting, 2017



Make Fruit Fair!

The Make Fruit Fair! Campaign was a global consortium of 19 partners from the European Union, Cameroon, Colombia, Ecuador and the Windward Islands - coordinated by Oxfam Germany. The three-year campaign was possible due to the financial support of the European Commission with a grant that started in March 2015 and ended in February 2018. More information is available at www.makefruitfair.org

2. Global Fair Trade movement advocacy & public policy capacities

Fairtrade International and the World Fair Trade Organization have agreed on respective advocacy and campaigning plans. Against this framework, the FTAO serves as a Fair Trade movement centre of excellence to facilitate exchanges of good practices and analysis to strengthen the public policy and advocacy capacities of the Global Fair Trade movement. The former focuses on exchange of good practice and analysis of public policy environments for Fair Trade, including national policies on Fair Trade and other public policies and legislation (e.g. trade, preferential market access for sustainable products, public procurement) that can contribute to the uptake of Fair Trade. The latter focuses on exchange of good practices and analysis of advocacy at national level, political narrative and political advocacy tools by and for the Fair Trade movement.

Main areas of work in 2016-2017

Approximately 10 webinars on Fair Trade advocacy and public policy enabling environments & 2 capacity building workshops on "introduction to systemic change" (Oct 2016) and "better addressing root causes" workshop (Oct 2017).

2020 plans

To facilitate good practice exchange on how national, regional and local authorities can achieve this agenda via Fair Trade. **Tools for (global) Fair Trade movement:** Rollout advocacy capacity-building webinars for Fair Trade movement on the basis of the new Joint Fair Trade Advocacy Toolkit.

Public policy good practices: Document what governments are doing on Fair Trade (national, local and regional levels) and share information.

Advocacy good practices: Continue promoting exchange of information on Fair Trade movement advocacy successes and failures, as to learn from each other.

3. Global Fair Trade movement cooperation

The Fair Trade Advocacy Office is the only supra-national organisation bringing together the two main Global Fair Trade networks (World Fair Trade Organization and Fairtrade International) and has therefore an important role to play as a space for cooperation amongst the Fair Trade movement and with key Fair Trade movement partners.

Main areas of work in 2016-2017

A key area of work was the cooperation with the International Fair Trade Towns Campaign. The FTAO delivered a keynote speech and ran workshops for Fair Trade Towns campaigners at the International Fair Trade Towns Conference that took place in September 2017 in Saarbrücken, Germany. This successful gathering was a novelty in many ways, one of them being that it was organised by a joint cross-border Fair Trade initiative bringing together civil society and local authorities in Saarbrücken and Trier (Germany), Metz (France) and Luxembourg; Quattro-Fair. This conference also saw the announcement of the day when the campaign reached 2000 towns as part of this exciting global campaign for change, one town at a time.

The FTAO is part of the Steering Committee of the Fair Trade International Symposium, the largest gathering of researchers on Fair Trade. Work in 2016 and 2017 focussed on selecting and managing the process towards the next edition of the Symposium, which will be hosted by the Portsmouth Business School in June 2018 in Portsmouth, UK.

2020 plans

A priority in the coming years will be the promotion and recognition of the new International Fair Trade Charter as an updated international reference point for Fair Trade, as a follow-up to the Charter of Fair Trade principles adopted in 2009.

The International Fair Trade Towns Campaign will remain a key partner. The FTAO will support a process to update the governance of the international campaign and to capitalise on the enthusiasm for Fair Trade by local activities and local authorities to create more Fair Trade awareness and advocacy impact, both in the North as in the South.

FTAO will continue promoting closer cooperation between the World Fair Trade Organization and Fairtrade International, building on the complementarities of the different Fair Trade systems. The FTAO will also identify future areas for collaboration amongst the Fair Trade movement for the years ahead. Last but not least, following the decision in November 2017 by the World Fair Trade Organisation to include "Northern Producers" within its membership, the FTAO will also engage in a process to identify partners and advocacy cooperation with civil society, social and solidarity economy and organic agriculture movements that wish to work together to universalise the Fair Trade principles.

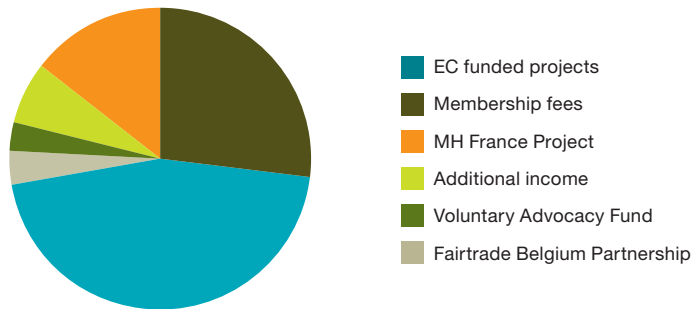


Members of the Flor del Pino Cooperative, Honduras

Finances

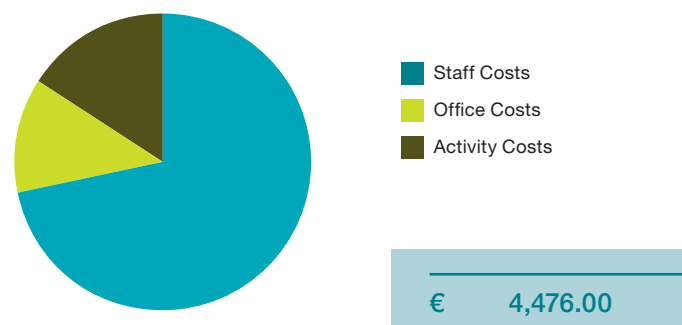
Income 2016

| | | |
|-------------------------------|----------|----------------|
| Membership fees | € | 92,201 |
| EC funded projects | € | 154,228 |
| Fairtrade Belgium Partnership | € | 12,000 |
| Voluntary Advocacy Fund | € | 11,000 |
| Additional income | € | 22,716 |
| MH France Project | € | 49,800 |
| Total | € | 346,945 |



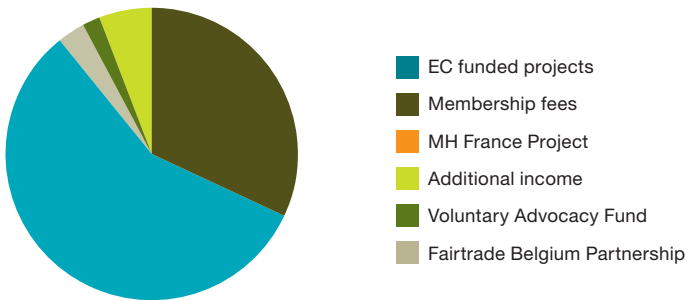
Expenditures 2016

| | | |
|--------------------|----------|-------------------|
| Staff Costs | € | 246,406.00 |
| Office Costs | € | 42,408.00 |
| Activity Costs | € | 53,655.00 |
| Other Costs | € | - |
| Total | € | 342,469.00 |



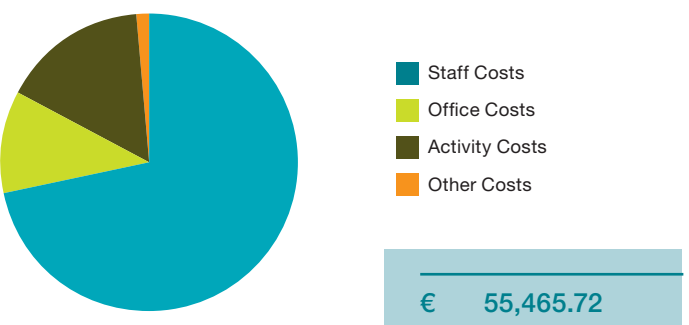
Income 2017

| | | |
|-------------------------------|----------|----------------|
| Membership fees | € | 102,201 |
| EC funded projects | € | 182,269 |
| Fairtrade Belgium Partnership | € | 10,000 |
| Voluntary Advocacy Fund | € | 6,300 |
| Additional income | € | 17,982 |
| MH France Project | € | - |
| Total | € | 318,752 |



Expenditures 2017

| | | |
|--------------------|----------|-------------------|
| Staff Costs | € | 189,773.55 |
| Office Costs | € | 28,618.85 |
| Activity Costs | € | 42,043.59 |
| Other Costs | € | 2,849.80 |
| Total | € | 263,286.79 |



Audited accounts for 2016 and for 2017 are available upon request

FTAO team (2016-2017)

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 Maria Laura Romani (temporary intern)
 Marta De Bonis (temporary intern)
 Allegra Santilli (temporary intern)
 Jacopo Prina (temporary intern)
 Giorgio Caligari (temporary intern)

Read more

Power to West African cotton farmers position paper
 Competition Law & Sustainability briefing paper
 Localising the SDGs through Fair Trade toolkit
 FTAO in action (2016-2020) report
 Download these and other FTAO publications from www.fairtrade-advocacy.org

Get in touch

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