

EFTA: JOINING FAIR TRADE FORCES

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WHAT IS EFTA?

A European Association...

EFTA (European Fair Trade Association) is an association of eleven Fair Trade importers in nine European countries (Austria, Belgium, France, Germany, Italy, The Netherlands, Spain, Switzerland and the United Kingdom). EFTA was established informally in 1987 by some of the oldest and largest Fair Trade importers. It gained formal status in 1990. EFTA is based in the Netherlands and has Dutch Articles of Association.

What is Fair Trade...

In 2001, the international Fair Trade movement adopted the following definition for Fair Trade.

“Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South.

Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade”.

EFTA and its members support this definition.

Aim of EFTA

The aim of EFTA is to support its member organizations in their work and to encourage them to cooperate and coordinate. It facilitates the exchange of information and networking; it creates conditions for labour division; it identifies areas of coordination and cooperation such as joint projects, research and systems to facilitate Fair trading with suppliers.

Turnover of EFTA members

In 2004 (financial year ending in the period from July 2004 up to June 2005), EFTA members achieved a combined turnover, on the basis of retail-figure calculations, of over 196 million Euro (compared with 190 million in 2003 and 172 million in 2002). The largest EFTA members are Gepa in Germany (45,3 million), CTM Altromercato in Italy (41 million) and Traidcraft (30,1 million).

Over 50 % of these sales are achieved via the traditional channels of World Shops. For some EFTA members, such as Magasins du Monde Oxfam in Belgium and Ideas in Spain, this percentage even comes close to 100 %.

Supermarkets become of increasing importance as a sales channel, e.g. 24 % for Traidcraft in the UK, 21 % for CTM Altrmercato in Italy and 20 % for EZA in Austria.

Products of EFTA members

Coffee is the most important product for almost all EFTA members, followed by other food. Below you find the statistics per EFTA member per product group.

	Claro	CTM	EZA	FTO	Gepa	Ideas	IO	OMdM	OFT	SoM	Tc
Coffee	7	14	33	33	43,76		12,5	10	11	17	10
Food O	80	53	39	32	48,57	63 *	24,5	47	87	56	61
Fresh fr		12						43			
Handi	8	17	28	31	7,67	35	59		0	27	15
Literatu		1				2	3		2		1
Other	5	1,5		4 *			1				13
Cosmet		1,5									

* FTO: includes literature

* Ideas: includes coffee

Suppliers of EFTA members

Combined, EFTA members trade with almost 370 suppliers. The table below shows the number of producers producing food and non-food products by continent.

Continent	Food	Non Food	Total
Africa	43	48	91
Asia	25	92	117
Latin America	102	43	145
Miscellaneous	10	5	15
Total	180	188	368

Staff of EFTA members

In total, EFTA members currently employ the equivalent of 660 full-time employees (compared to 2003 with 593 fte's and 2002 with 553 fte's).

EFTA's WORK IN PRACTICE

Meetings and information exchange

Meetings are crucial to information exchange, so one of EFTA's key tasks is to bring people together. EFTA members participate as much as possible, since this forms the basis of EFTA cooperation. The following meetings are being organized for various staff of EFTA members: managers, responsables for food (Product and Producer Committee Food), responsables for handicrafts (Product and Producer Committee Handicrafts). In addition to these basic meetings, EFTA organizes meetings on important specific issues, such as Monitoring and Quality Assurance.

An example of EFTA labour division: Partner Attendance

An important instrument to share labour in food is the system of Partner Attendance. An EFTA Partner Attender is responsible for contacts with a partner on behalf of one or more EFTA members. Key tasks are to collect data about the partner and to monitor and support the development process. Usually, the Partner Attender also imports products from the partner on behalf of other EFTA

members. In this case, it is responsible for product development, delivery time, quality etc. There are currently around 50 partners with EFTA Partner Attenders.

An example of EFTA coordination: EFTA Information and Evaluation System

The EFTA Information and Evaluation System aims at supporting EFTA members in their cooperation with their partners by labour division, by providing basic information, by giving early warnings in case of problems, by checking compliance with standards and by giving recommendations on cooperation. The system focuses on partners which are not in the FLO register and/or which are not a member of IFAT. The System will fit in the Quality Management System for Fair Trade, on which FLO and IFAT (with input from EFTA) are currently working. The following instruments form part of the EFTA System:

- EFTA Information Sheet, a questionnaire to collect information on the partners in the South – the same questions are integrated in the IFAT Monitoring system;
- Fairdata internal website, a web based database which contains information on all suppliers of EFTA members, such as the EFTA Basic Information Sheet, reviews, travel reports, self assessment reports, etc. To share the work on collecting the information, a so-called Fairdata Attender is appointed per partner.
- EFTA Evaluation Tool, a tool, to check whether suppliers comply with standards and to help the Monitoring Group to give recommendations to EFTA members. This tool is still in development.
- The Monitoring Group consists of representatives of EFTA members. Its aim is to develop and update the EFTA Information and Evaluation System, as described above.

An example of EFTA bilateral cooperation: the Fair Procura project

Four EFTA members (Fair Trade Organisatie in The Netherlands, CTM in Italy, Oxfam Wereldwinkels in Belgium and IDEAS in Spain), have, together with EFTA, initiated a project called "Fair Procura". The overall aim of the project is to encourage European institutions, national, regional and local authorities to increase their contribution to sustainable development through sustainable (Fair Trade) purchasing policies and practice. The specific objectives are:

- to raise awareness of European, national, regional and local authorities and public purchasers on the impact of public consumption on sustainable North/South relations;
- to secure a commitment from policy-makers to include fair trade / social criteria in public procurement legislation;
- to strengthen the social dimension of sustainable purchasing practices among institutional buyers.

The project is co-financed by the European Commission (EuropeAid) and started in September 2004. It includes a background legal research report, a training and a campaign kit for Fair Procura Animateurs, a Fair Procura and best practice brochure, national and European conferences and close cooperation with other networks involved in sustainable procurement such as ICLEI and Eurocities.

An example of EFTA's pilot work: FINE Fair Trade Advocacy Office

EFTA established an Advocacy Office in Brussels in 1995. The office supported EFTA members and other actors of the Fair Trade movement in their advocacy and campaigns work and influenced the European institutions towards making international rules on trade fairer. Over the course of the years, the office has achieved a lot. Various campaigns, e.g. on Fair Trade in general, on coffee,

chocolate, rice, have been executed. The European Parliament adopted resolutions on Fair Trade. The European Commission adopted a Communication on Fair Trade. The Cotonou agreement mentions Fair Trade. Fair Trade coffee is being served in the building of the European Parliament. Just to mention a few successes. Over time, it became clear that advocacy work could be much more effective if it was undertaken by the whole Fair Trade movement. Therefore, FLO, IFAT, NEWS! and EFTA together decided to replace the EFTA advocacy office by a FINE Advocacy office per april 2004, to which all four networks have a financial and political commitment.

The Fair Trade Advocacy Office has one fulltime staff member, supported by a Steering Committee with experts from the four FINE networks. The office gives priority to the development of a good policy framework for Fair Trade at a EU level. It particularly identifies ways in which EU institutions can endorse and /or support Fair Trade and it supports the development of joint positions of the Fair Trade movement. The office also spends much time on two main Fair Trade publications: the Fair Trade Book and Facts and Figures of Fair Trade in Europe (successor of similar EFTA publications of 1995, 1998 and 2001).

Networking and cooperation

FLO (Fairtrade Labelling Organisation International), IFAT (International Fair Trade Association), NEWS! (Network of European World Shops) and EFTA started to meet in 1998 and, when they work together, are known by their acronym, FINE. The aim of FINE is to enable these networks and their members to cooperate on important areas of work, such as advocacy and campaigning, standards and monitoring of Fair Trade.

EFTA is an associate member of IFAT and has a close cooperation with all three members of the FINE network.

HOW DOES EFTA WORK?

Staff and offices

EFTA has one staff member for four days per week in the office in Schin op Geul/Maastricht, the Netherlands. For additional projects, it hires extra staff, such as the Fair Procura Officer for 4 days per week during 3 years in the office of Brussels and a Fairdata Officer for support to the Fairdata system.

Paying the costs

The core costs of staff and offices are paid by the EFTA members through a contribution fee which is related to their turnover. Annual income based on these fees amounts to E 119.500,-. Additional projects are funded externally.

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