

REPORT 2001 AND WORKPLAN 2002

Date: January 2002

Please find below the report on the EFTA activities in 2001 and the Working plan for the year 2002. The structure of the report is based on EFTA's priorities.

1. Exchange of information and networking
2. (Bilateral) programs
3. Data collection
4. Monitoring
5. Advocacy and Campaigning
6. Networking
7. EFTA business
8. EFTA staff

1. EXCHANGE OF INFORMATION AND NETWORKING

PPC Food

The PPC Food consists of staff of EFTA members involved in purchasing food and/or contacts with food suppliers.

The PPC Food met twice in 2001: in March (hosted by Solidar'Monde) and September (hosted by Oxfam Fair Trade).

Regular items on the agenda were the update on food policies of EFTA members, the introduction of new products, quality issues, updating of the Trading Agreements and proposals for Partner Attenders. An increasing number of external experts add to the high level of information exchange and training.

FLO issues are also always discussed, mainly to exchange information on the situation in each EFTA members country and to update the group on the cooperation between FLO and EFTA. Simon Pare of Max Havelaar France attended the meeting of March and gave a presentation on the restructuring process of FLO.

The PPC Food had decided in 2000 to start paying more attention to organic products. In this respect, Michiel Schoenmakers of Agroeco, came to the March meeting and briefed the group on bio certification issues, particularly legislation. A list of bio products and bio certifiers used by EFTA members was put together and circulated. Penny Newman, director of Cafedirect, gave strong inputs in the meeting of September by explaining the structure, the marketing approach and the success of her organization. Sarah Sheckleton presented the restructuring of Oxfam Fair Trade. And Philippa Lyon came to explain how the PPC Food members could make optimal use of the Fairdata System.

The PPC Food is definitely one of the most popular EFTA meetings and it will certainly continue this way in 2002. The PPC Food intends to pay more attention to producer-oriented issues in the future.

Quality Assurance Group

The Quality Assurance Group consists of staff of EFTA members, responsible for quality of products.

The meeting which was scheduled for Spring 2001 was cancelled because of lack of time of the participants. However, the group met again in September 2001, linked to the PPC Food.

A lot of information was exchanged and external input was given by Chris Grimes, Managing Director of International Supplier Auditing UK. His presentation gave a clear picture of what is going on in the world of quality assurance and the need to meet certain requirements in this area. He inspired the group to see where cooperation and avoiding overlap of work can be achieved. The group decided to meet again in 6 months time and to discuss various products extensively in terms of quality assurance. Also HACCP implementation and requirements to meet "due diligence" in EFTA members organizations will be on the agenda as well as order instructions for producers in the South. And, last but not least, an attempt will be undertaken to develop joint guidelines for CBI Quality Assurance programs.

Marketing Group

Marketing experts of EFTA members met for 2 days in Brussels in October. Main theme of the meeting was the approach of supermarkets. A round showed that Gepa, Traidcraft, EZA and Oxfam Wereldwinkels are active in contacts with supermarkets. Carrefour, Monoprix/Alter Eco and Max Havelaar France seem to be shopping around to buy Fair Trade products. The marketing group developed proposals on how to deal with cross border sales and they prepared some changes in the Trading Agreements for approval by the managers.

The marketing group believes that there are big opportunities for a strong European brand for a limited range of products to be sold in the supermarkets. A Working Group will develop further ideas on this which will be discussed in February.

Managers' Meetings

The managers met twice: in May and November.

Quite some time was spent on information exchange on the restructuring of members' organizations: Oxfam Fair Trade and Claro. Also the restructuring of FLO was discussed with Luuk Zonneveld, the new director of FLO. The cooperation in FINE, particularly with FLO, is regularly on the agenda.

The managers' meeting also addressed internal issues such as the Fairdata System and the Advocacy and Campaigns work of EFTA.

The members of the Executive Committee chair the meetings.

Executive Committee

The Executive Committee consisted of Bernard de Boischevalier of Solidar'Monde, Philip Angier of Traidcraft and Andrea Reitingger of EZA.

The Committee had telephone conferences in January, March and April. In addition, the Committee supported and guided the secretariat regularly via email.

Major themes addressed were staff issues, EFTA accounts for Maastricht and Brussels, and FINE cooperation.

PPC-Handicrafts

The PPC Handicrafts consists of staff of EFTA members, involved in the purchasing of handicrafts and/or in contacts with suppliers.

The meeting which was scheduled for the second half of 2000 had to be cancelled because of lack of participation and input from the members. Since then no other meeting was organized. However, both managers and handicrafts staff stressed the importance of a meeting on handicrafts issues. Therefore another attempt will be undertaken soon to arrange a meeting by the end of 2001 or the beginning of 2002.

Support by Secretariat

The secretariat supported the exchange of information between members by:

- preparing, chairing and taking minutes of the meetings
- preparing and updating policy documents, e.g. Trading Agreements
- collecting and circulation of relevant information, e.g. list of Partner Attenders, surveys of prices for comparison, etc
- organizing Workshops and/or inviting external consultants, such as FLO representatives for PPC Food, Manager of Cafedirect, AgroEco, etc.

Workplan for 2002

The secretariat will continue to prepare, chair and take minutes of the meetings of the various above mentioned meetings; on request it will do the same for other groups. The PPC Handicrafts will receive priority. The secretariat will collect relevant information and updating of surveys for the various bodies of EFTA. And it will invite external consultants, where desired.

2. (BILATERAL) PROGRAMS

CBI program

CBI funded an amount of Euro 136.134 (fl 300.000) for an EFTA program, consisting of organic conversion, quality assurance, product development and training. CTM, EZA, Claro, Fair Trade Assistance, Oxfam Fair Trade, Oxfam Wereldwinkels and Traidcraft participated in this program.

Most probably CBI will fund a similar amount for 2002.

3. DATA COLLECTION

Fairdata System

In November 1999, the Managers bought the Fairdata System with the aim to help EFTA members to harmonize the collection, updating and exchange of data and documents regarding producers in the South. Administration, coordination and facilitation of the Fairdata System are in the hands of the EFTA secretariat. Philippa Lyon is employed for 16 hours per week. She works from her home in the U.K. The technical maintenance of the system is in the hands of Jacqueline Born in Switzerland, who designed the system.

The Fairdata system contains basic details about around 670 producers as well as extensive profiles on 88 producers – 77 more are planned. 40 core questions (the ideal group of questions in a profile) have been identified – these should be used as a guideline for the profiles. The System produces regular EFTA Monitoring Surveys which now also include references to the IFAT Self Assessment system.

Oxfam Fair Trade has withdrawn from participation in the system, since this no longer fits in their work. Fair Trade Organisatie may be looking at linking their system to the Fairdata system (and the other way around). In addition, the Fairdata Officer has given input to the research of NEWS on the Fair Trade Global Communication System and she met Peoplink to discuss its Catgen to see whether cooperation is possible.

A Superuser training and strategic meeting will be held in November. It will lay the basis for further adaptation of the software and for increased use of the system.

Main problem for the Fairdata System is the lack of time available to the superusers to learn the software and to input new information. Updates are mostly only coming from Gepa, Claro and Traidcraft, whilst everyone committed doing this. Also it is not clear whether EFTA members indeed make optimal use of the system.

For further information, proposals for continuation of the work in 2002 and a budget: see separate document from Philippa Lyon.

4. MONITORING

Harmonization of monitoring with FINE

FINE decided to give priority to harmonization of monitoring. In the course of 2001 the members met regularly to write a proposal for mutual cooperation. This proposal includes a definition of Fair Trade and a description of the basic principles. It makes a distinction between monitoring, inspection and certifying of products on one hand and of organizations on the other hand. And it lays the basis for one overall, integrated monitoring system for Fair Trade with specific roles for each of the actors. The FINE group hopes that the proposal can be adopted in its meeting in December.

The main priority for 2002 will be to put the agreements into practice.

Harmonization of monitoring with FLO

TransFair Germany and Gepa started discussions in 2000 to discuss cooperation between them, particularly in the area of monitoring. The discussions focused in 2001 on tea plantations in India and Sri Lanka and meetings were organized with the managers of the plantations involved. The outcome of this debate could serve as case studies for harmonization of monitoring between FLO and EFTA.

To be continued in 2002.

EC Monitoring project

On November 24, 2000, EFTA handed in a funding proposal to the EC for an amount of Euro 995.000 (over 2 mio fl). The three-year project was called "Empowerment of Fair Trade Partners in the South". It was meant to strengthen the monitoring capacities of partners in the South. CTM, Magasins du Monde, Gepa, Fair Trade Assistance and Traidcraft were very much involved in the writing of the application. They and their partners would have benefited a lot from the program.

Unfortunately the European Commission wrote a letter on October 5, 2001, saying that the application has not been considered eligible, for two reasons: (1) The budget

contains administrative costs which exceed the maximum allowed and (2) EFTA has not demonstrated the necessary administrative and financial capacity to manage a project of the scale for which co-financing is requested.

Harmonization of monitoring in EFTA

In 1999, EFTA installed a Working Group on monitoring, consisting of Oxfam Fair Trade, Fair Trade Assistance, CTM, Gepa, Claro, Solidar'Monde and Traidcraft. In 2000, the main task of the group was to write the funding application. It was expected that this application would give big input and encouragement to the harmonization of monitoring within EFTA. We waited for a response from the EC and we also waited for the outcome of the FINE discussions. Now that these are available, priority will be given to harmonization of monitoring in EFTA.

Impact studies

The EFTA secretariat studied a number of impact studies, summarized them and gave presentations on the outcomes and conclusions to Gepa staff, seminars organized by Oxfam Wereldwinkels, FAKT, CTM and to the IFAT conference. A list of impact studies is available.

This work will be continued in 2002.

Working plan for 2002

In 2002, EFTA's priority will be to continue to work on harmonization of monitoring with all Fair Trade actors, where and whenever this is possible. The basis will be the agreement in FINE. Attention will be given to the implications of this for EFTA and its members, exchange of information on ongoing monitoring systems and investigation as to where coordination is possible.

5. ADVOCACY AND CAMPAIGNS WORK

Advocacy and Campaigns Work is carried out within the framework of EFTA's co-financed project with the EC, called "Promotion of the Principle and Practice of Fairer International Trade and Production between Europe and the South". The European Commission agreed to contribute Euro 239.869 (fl 528.602) towards this project over three years. The project will finish on December 31, 2001.

For working plan and budget: see separate document from Mariano Iossa.

6. NETWORKING

Fairtrade Labelling Organisation (FLO)

The process of improving the relationships between FLO and EFTA continued in 2001. The meetings between the secretariat, the FLO director and the German FLO and EFTA member helped to start a dialogue on harmonization of monitoring (see paragraph about "monitoring"). Simon Pare of Max Havelaar France participated in the PPC Food meeting of March to present the restructuring in FLO. Luuk Zonneveld, new director of FLO, came to the Managers' Meeting of May and explained the developments in FLO. The EFTA manager chaired a meeting in Italy between CTM, TransFair Italy and FLO about CTM's decision to drop the TransFair label from their products. The manager also

attended the FLO Forum and contributed to the discussions on stakeholder participation.

EFTA is still an observer in the Meeting of Members. The FLO restructuring will lead to a new way of participation of stakeholders in FLO and the role of EFTA will therefore change.

International Federation of Alternative Trade (IFAT)

EFTA members, except for IDEAS and Solidar'Monde, are also a member of IFAT. The EFTA manager participated in the IFAT conference in Arusha, where she gave a presentation on the outcome of various impact studies.

Network of European World Shops (NEWS)

Cooperation with NEWS has been at a lower level than some years before. This is partly due to the fact that the campaigns of the organizations no longer run parallel. NEWS has chosen the World Trade Organization as a subject for its campaign, whereas EFTA is focusing on coffee and rice. It is intended to avoid this situation for the future and to harmonize the campaigns again after the present ones are over. Discussions are still ongoing.

It should be noted that cooperation on an international level between NEWS and EFTA can only be successful if there is good cooperation on a national level. This deserves more attention in 2002.

FINE

The members of FINE (FLO, IFAT, NEWS and EFTA) have met regularly to work on joint monitoring. This resulted in a proposal for mutual cooperation, which hopefully will be adopted in December 2001. Priority for 2002 is to put the agreement into practice. FINE will also discuss the proposal on a Fair Trade Global Communication System, developed by Angelo Caserta for NEWS. This may lead to a new area of cooperation for the following years.

It was stressed regularly that advocacy and campaigns work should get more priority and that FINE should work on a proposal for mutual cooperation in this area as well. This could very well be a priority for 2002.

IFOAM cooperation

EFTA delegated representation in IFOAM to Gerd Nickoleit of Gepa. He circulated a report on the state of affairs regarding social justice and social rights in organic agriculture and processing.

Gerd Nickoleit will continue to represent EFTA in IFOAM. He will keep FINE updated to see where cooperation and coordination is possible.

Working plan

In 2002 EFTA will:

- proceed with attempts to improve the relationship and joint work on harmonization of monitoring
- strengthen relationship with NEWS by trying to achieve a joint funding application
- for campaigns work and support to NEWS if possible
- strengthen relationship with IFAT where possible
- proceed with supporting FINE where possible
- contribute to IFOAM

7. EFTA BUSINESS

Support to members by secretariat

The EFTA manager discussed EFTA activities with Gepa/Fair Trade ev, Solidar'Monde, Magasins du Monde and it participated in big events of Magasins du Monde and Oxfam Wereldwinkels.

8. STAFF

Maastricht Office (The Netherlands)

- Marlike Kocken, manager, 4 days per week
- By March 2002, the office will move to Schin op Geul.

Lancashire Office (U.K)

- Philippa Lyon, Fairdata Officer, 2 days per week

Brussels Office (Belgium)

- Bríd Bowen, Advocacy and Campaigns Officer, had a career break of one year in 2001 and decided by the end of that year not to come back
- Mariano Iossa, replacement for Advocacy and Campaigns Officer in 2001, 3 days per week

Marlike Kocken