
FAIR TRADE ADVOCACY NEWSLETTER

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Fair Trade Conference in the European Parliament

The PES Group (European Socialists) is organising a Conference on Fair Trade in the European Parliament building in Brussels on 22 and 23 June 2005. Around 300 participants are expected to attend the Conference.

The conference aims to show how Fair trade is a successful levy for development and poverty eradication in the South and how it can contribute to redesigning the rules of the global trade agenda.

A Fair Trade reception will be organised at the end of the first session and a little Fair Trade market will take place during the conference.

Fair Trade speakers include Michael Gidney from Traidcraft, Carol Wills from IFAT, Arun Raste from International Resources for Fairer Trade (India) and Moctar Fall from Interface Trading (Sénégal).

Both Commissioners Mandelson (Trade) and Michel (Development) have confirmed their participation and will present their views on the role the EU has to play in promoting Fair Trade. They will be joined by Ministers from EU Member States who are supporting Fair Trade at a national level.

For questions & registration, contact Eloise Todd at etodd@europarl.eu.int
Please specify if you need an access badge to the European Parliament.

Global Week of Action (10-16 April)



The Globalisation Intergroup is a newly constituted Intergroup chaired by the British MEP Glyn Ford. It currently comprises MEPs from three political groups: the GUE/NGL, the PES and the Greens/EFA. The Globalisation Intergroup has met for the first time in Strasbourg in February 2005.

The Intergroup decided to support the Global Week of Action (GWA, see website www.april2005.org), a campaign bringing together social movements from all around the globe asking for trade justice. The GWA will coincide with the Strasbourg week of the EP. Several events are planned in Strasbourg between the 11th and 14th April.

First, an exhibition on Fair Trade and trade justice will be organised from the 11th to 14th April. Several stalls from a dozen of NGOs and social movement will be placed in the WIC building (first floor gallery). Josep Borrel, President of the European Parliament, has been invited to inaugurate the exhibition.

Secondly, on the 13th April, representatives from the GWA and the Fair Trade movement will have the opportunity to meet with the coordinators of the Development and International Trade Committees (+ other interested MEPs) to exchange views on global trade and Fair Trade issues.

Towards a campaign for Commodity Action

Slowly but surely the problem of developing countries' commodity exports is re-emerging in international debate. Partly thanks to the fair trade movement, there is now a better understanding in the rich world of how little the poorest farmers and farm workers are paid for their cash crops.

We are a long way from persuading the people who can do something about it to end the policies that led to this. There has been much recent talk about the problems of Africa, but all too little explanation of the economic background to the crisis on that and other continents. Alongside fair trade's excellent work, it is necessary to address the general collapse in commodity prices.

Take the recent unrest in Côte d'Ivoire as an example. The global media reported it as just another "failed state" which had proved unable to run its affairs. They failed to mention the pressures which it and so many other countries face – with some of them inevitably buckling under the strain.

Twenty-five years ago, the same media celebrated Côte d'Ivoire for its success in developing high-quality agricultural products for export. But in the long run that was to prove its undoing. Its main exports are coffee and cocoa, and throughout those years it was encouraged to concentrate on them as a way of paying its way out of foreign debts.

But the same thing was pushed on all developing countries, which simply led to the markets for those crops being flooded with supplies. A collapse in prices was the inevitable consequence.

In 1980, some 1.1 million tonnes of cocoa were sold on the world's export markets, worth \$2.8 billion. Twenty years later, the volume was 2.5 million tonnes – but its total value had fallen to \$2.5 billion. Among 46 major commodities, the inflation-adjusted price fell between 1977 and 2001 for 41 of them – many of them by more than half.

By 2002, Côte d'Ivoire was 43 per cent poorer than in 1978 (as measured by GDP per capita on a PPP basis). It was far from alone in suffering a reverse of this magnitude.

Commodity Action is the name of an e-mail discussion group looking at ways to tackle this formidable problem. With over 100 members worldwide, we will soon set up a website as the next step in a *Commodity Action* campaign which will aim to achieve the necessary reforms.

As a first requirement, the World Bank must end its insistence on “export-led” development, which is what led to this penury. Commodity supplies must be brought under control in order to end built-in surpluses. And the excessive power of trading, food-processing and retailing giants must be curbed, so that all farmers and farm workers can get their fair share of the prices paid in the shops.

Commodity Action is a necessary counterpart to the invaluable work of the fair trade movement. If you wish to know more about it, join the discussion list or have any questions about the issue, please write to the author at this address: tlines@globalnet.co.uk

Tom Lines
Moderator, *Commodity Action* discussion list

Reform of the European sugar regime: Fair Trade position

The four European and international Fair Trade networks (FLO, IFAT, NEWS and EFTA) have agreed on a Fair EU Sugar Regime position as a reaction to the reform of the European sugar regime.

The current system guarantees sugar producers and importers a high and stable price but it creates an annual surplus of more than five million tonnes of sugar which are dumped onto world markets. There is a need to reform the present regime because it contributes to world overproduction and it destroys market opportunities for millions of sugar producers in poor countries. However, this reform needs to be carried out very carefully since a drastic change without proper assessment of its impact on producers in poor countries would throw hundreds of thousands of people into poverty.

In July 2004 the European Commission published a first reform proposal and the new regime should enter into force in 2006. Despite some positive elements of the tabled proposal, particularly a reduction in EU sugar production, it does not address key problems associated with the world sugar production.

A Fair EU sugar regime would, instead,

- put sustainable development at its heart. It would ensure that workers in sugar production are not being exploited and that sugar cultivation does not destroy the environment, neither within the EU and nor in the importing countries,
- ensure that small sugar producers, particularly in poor countries, are not being thrown into poverty,
- completely stop dumping EU sugar onto world markets,
- guarantee market access for the poorest countries (LDCs).

The following elements should be integrated into the reform:

- a thorough and independent assessment of the impact of the proposed reform on poor and small producers, particularly in the LDCs, through a proper consultation process with the affected parties,
- guaranteed market access for the poorest countries (quotas) with a stable and foreseeable price that covers their cost of production and living,
- an assessment of the inclusion of sustainability criteria into the proposal which would offer a different import tariff to sugar production that complies with good environmental and social conditions,
- design of assistance and compensation in collaboration with those developing countries and sugar producers which will be negatively affected by the proposal.

By integrating these proposals into the sugar reform the European Union could contribute to a fair and sustainable world sugar production and to a stable sugar price which enables sugar producers and workers a living wage and decent working conditions.

For further information, please contact poppe@fairtrade-advocacy.org

Stop EPA campaign picks up speed

2005 has got off to a flying start following the successful launch of the Stop EPA campaign in Africa and Europe last year. The International Federation for Alternative Trade (IFAT) has joined the campaign and we now encourage IFAT members around the world to find out more and get involved in this important issue that will affect the lives of millions of small producers around the world.



The campaign had its first success in March 2005, when the UK Government published a position paper on the negotiations, stating its agreement with one of the key concerns raised by Stop EPA campaigners – that issues rejected by African, Caribbean and Pacific countries at the Cancun WTO Ministerial meeting should not be resurrected in EPAs. The UK Government statement notes, “*each ACP regional group should make its own decisions on the timing, pace, sequencing, and product coverage of market opening in line with individual countries’ national development plans and poverty reduction strategies*”.

Campaigners in the UK and across Europe and ACP have welcomed this as an important step towards a fairer deal, but stress that the UK is only one of 25 European Union member states. It is now vital to use this momentum and keep the pressure for change up right across Europe.

Following a pan-European planning day held in Brussels in March the campaign is strengthening with activities in Ireland, France, The Netherlands, UK, Germany, Italy, Denmark, Belgium and Sweden. A number of national and joint activities are being planned for the coming months in Europe, but also in Africa, the Caribbean and the Pacific regions – so to find out more and get involved contact Liz Dodd at Traidcraft on lizdo@traidcraft.co.uk or visit www.stopepa.org

New Fair Trade Advocacy Co-ordinator

Anja Osterhaus, Fair Trade Advocacy Co-ordinator, is on maternity leave until 4th September 2005. Charly Poppe is replacing her as the Co-ordinator of the Fair Trade Advocacy Office in Brussels.

Charly can be contacted at poppe@fairtrade-advocacy.org

Dates & Events

- **Global Week of Action for Trade Justice:** 10 to 16 April 2005, global
- **International Banana Conference:** 28-30 April 2005, Brussels, Belgium
- **IFAT 2005 International Conference and Trade Mart:** 1 - 7 May 2005, Quito, Ecuador
- **Fair Trade Conference:** 22-23 June 2005, European Parliament, Brussels

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