
FAIR TRADE ADVOCACY NEWSLETTER

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Fair Trade Conference in the European Parliament



Photo European Parliament

A major Conference on Fair Trade, organised by Party of European Socialists, was held on 22 June in the European Parliament. The Conference was attended by over 200 participants including numerous MEPs. It was followed by a reception where Fair Trade products were offered to the participants.

The objectives of the conference were to exchange ideas on how the EU could change its trade and development policies to make them more favourable to small and marginalised producers in the South and to drive the lessons from Fair Trade in making global trade rules fairer.

The programme of the meeting, which was chaired by MEPs Linda McAvan and Miguel Angel Martínez, included keynote speeches from Peter Mandelson, EU Trade Commissioner, and Stefano Manservigi, Director-General in the European Commission's DG Development. Alongside the European Commission, prominent European and Southern Fair Trade representatives were present to participate in the panel discussion.

The Fair Trade pioneer Carol Wills highlighted the successes of Fair Trade as a levy for sustainable development and poverty eradication in the South: *"Fair Trade works! It works for poor people; it works for consumers. It works as a business model; it works as sustainable development; it works to protect the environment; it works as an idea!"*

Arun Raste, who works with marginalised producers in India, acknowledged that *"Fair Trade is a ray of hope and promises a win-win situation to consumers and producers alike through environment friendly products at fair prices. Fair Trade is a now well established tool for the poor in southern countries to help them meet the challenges of globalisation and technological changes through innovative means like pre-financing, long-term relationships leading to trust and curbing social ills like discrimination and exploitation"*.

The Senegalese Fair Trader Moctar Fall focused his intervention on the global political framework and on the development perspectives for Africa. He called for an immediate stop of all export subsidies and of the domestic subsidies which contribute to the dumping of European agricultural products on poor countries' markets.

Michael Gidney, Director of Policy at Traidcraft, the UK's largest Fair Trade organisation, insisted on the failure of the free trade model and on the right for poor countries to set their own development policies.

Speaking on behalf of Development Commissioner Louis Michel, Stefano Manservigi recognised the power of Fair Trade as a tool for poverty reduction: *"Fair Trade is a good political concept, and it is understandable for citizens. But it is not just a good concept, it is reality. It works. It opens up new dimensions for better development policy"*.

Manservigi said that the European Commission would increase its support to Fair Trade through the budget line dedicated to NGOs. The Director-General also said that the EC would examine how companies could be rewarded for conducting business along Fair Trade lines and how its partner countries in the ACP could take up the Fair Trade agenda.

In his speech, the Trade Commissioner Peter Mandelson agreed on the fact that Fair Trade is one of the key tools for sustainable development and to fight poverty. For the Commissioner, *"trade is not just about economics and laws of comparative advantages. Trade is about people, their livelihoods, their families, sometimes their survival. It has to work to serve the needs of the producers. Fair Trade reminds us of that strongly"*.

On Fair Trade, the Commissioner said that the EC must, notably, include in its trade agreements specific incentives targeted at improving market access for Fair Trade products and look at possibilities to foster Fair Trade in public procurement laws. In order to increase the co-ordination and coherence of EU policies on Fair Trade, Peter Mandelson supported the idea of establishing a single contact point on Fair Trade in the Commission.

On trade justice, Peter Mandelson assured that the EU has set a clear pro development and progressive liberalisation agenda:

- the EU will not push for tariff cuts for vulnerable countries as part of the Doha Round;
- as regards market access for goods and services, the EU will allow developing countries to open sensitive sectors at a pace determined by their capacity and their development needs;
- the EU also suggested that all other developed countries extend quota and tariff free access to all least-developed countries as the EU does under its Everything But Arms preferential access scheme.

Mandelson's speech is available on the DG Trade webpage at:

http://europa.eu.int/comm/commission_barroso/mandelson/speeches_articles/temp_icentre.cfm?temp=sppm041_en

Petition: Fair Trade products in the European Parliament

The European Parliament (EP) is the leading democratic institution in the European Union. Within its competencies, the EP is committed to work towards the Millennium Development Goals and serve as an example for other public institutions in Europe. In the past, the EP has already taken some initiatives on Fair Trade, including the purchasing of Fair Trade products (such as tea, coffee and chocolate) for its canteens, bars and meeting rooms. However, these products are still not systematically available or visible.

Therefore, on 6 July, at the occasion of the "White Band week" of the EP in Strasbourg (see www.whiteband.org), a petition urging the EP to increase the availability of Fair Trade products in its buildings was handed to the Secretary-General of the EP. This petition was signed by over 400 MEPs, assistants and staff of the EP.



Photo European Parliament

G 8 leaders acknowledge the success of Fair Trade



On 8 July, the G8 leaders, meeting at Gleneagles for their annual summit, formally acknowledged the growing success of the global Fair Trade movement. In their final communiqué, the leaders say that they “welcome the growing market for Fair Trade goods and their positive effect in supporting livelihoods and increasing public awareness of the positive role of trade in development”.

Nevertheless, the G8 has not yet met the challenge of trade justice. Whilst there is language in the G8 Communiqué about the need of developing countries to choose their own economic policies, this is not being matched with a change of policy in the actual negotiations ongoing in the EU and at the WTO, where trade liberalisation demands are still being made of developing countries. G8 leaders have not agreed to eliminate export subsidies and dumping by 2010, one of the core demands of the **MakePovertyHistory** campaign. The gap between rhetoric and reality therefore remains as wide as that between rich and poor.

Links: www.g8.gov.uk; www.fairtrade.org.uk; www.traidcraft.org

Fair Trade Fair & Symposium in Hong Kong

After a highly successful Fair Trade Fair and Sustainable Trade Symposium at the WTO Ministerial in Cancun 2003, a coalition of organisations will hold a similar event in Hong Kong for the 6th WTO Ministerial Meeting in December 2005. It will feature a fair of Fair Trade products from around the world and a symposium with international experts discussing the latest developments in Fair Trade.



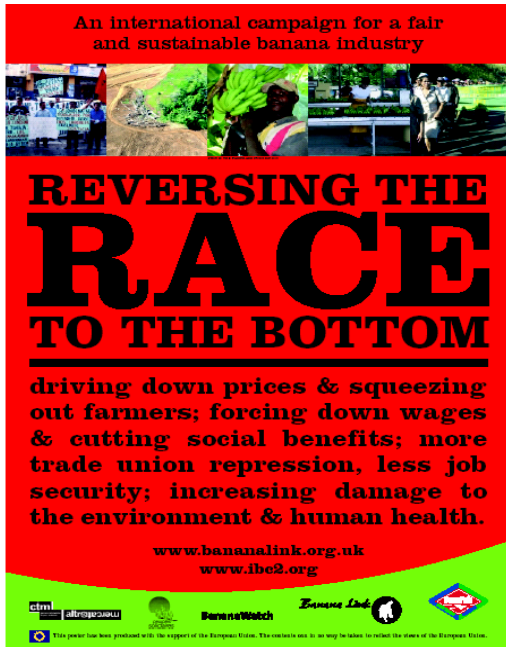
The Fair Trade Fair is scheduled on 14 and 15 December and the Symposium on 15 December. Both events will take place at the Hong Kong Exhibition Centre.

The objective of the Fair Trade Fair and Symposium is to show that trade, under the right conditions, can be a powerful engine to revitalize local economies and preserve the environment.

More information available at www.fairtradeexpo.org

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International Banana Conference II



The second International Banana Conference, held in Brussels from 28-30 April 2005, brought together all major players in the banana sector around the theme "*Reversing the race to the bottom*" as far as rights, socio-economic conditions and environmental health are concerned.

Over 240 participants took part, including the five major transnational banana companies (Chiquita, Del Monte, Dole, Fyffes and Noboa – controlling 80% of the world banana trade), governments, supermarkets, trade unions, producers, EU officials and Fair Trade organisations.

To address the crisis affecting the banana sector since 1999 and the continuous downward pressure on prices and global working conditions, the Conference:

- explored mechanisms to control structural overproduction and to stabilise prices;
- encouraged action by governments and international institutions to promote programs benefiting small producers, particularly through stable markets, improved market access, consumer education campaigns and Fair Trade;
- called on the European Commission to undertake a full evaluation of the economic, social, gender and environmental impacts of the proposed fundamental change in the EU banana regime scheduled for 2006;
- called on governments and companies to recognise that respect of trade union rights are essential for bringing about urgently needed improvements in working conditions on plantations;
- proposed the creation of a permanent multi-stakeholder banana forum.

More information available at www.ibc2.org

Dates & Events

- **Fair Trade Fair:** 31 August 2005, Bern, Switzerland
www.fairtradefair.ch
- **Fair Trade Week in Germany:** 19-25 September 2005
www.fairtradewoche.de
- **Fair Trade Futures Conference:** 30 Sept-2 Oct 2005, Chicago, USA
www.fairtradefutures.org
- **Fair Trade Week in Belgium:** 5-15 October 2005
www.fairtradecentre.be (from 15/09)
- **Geneva WTO mobilization:** 19-20 October 2005, Geneva, Switzerland
www.april2005.org
- **Hong Kong Fair Trade Fair & Symposium:** 13-15 December 2005, Hong Kong, China
Visit www.fairtradexpo.org or contact Claribel David (AFTF) at theforum@apfti.org.ph

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