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THE FAIR TRADING RELATIONSHIPS BETWEEN PRODUCERS & FAIR TRADE ENTERPRISES



## ABOUT

## FAIR TRADING PARTNERSHIPS

## FEATURED MEMBERS

## WHAT CAN YOU DO?

## IMPRESSUM

Thanks to all Fair Trade enterprises who participated in this review! Special thanks to the people who were interviewed.

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Photos: Provided by the organisations interviewed

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Oxfam Magasin du mon

## DEAR READER,

Welcome to the third edition of the annual Members' Review from the European branch of the World Fair Trade Organization.

This yearly publication illustrates the special approach to business that unifies members of the Global WFTO network: Benefitting people and planet through their core operations. As you will see in the pages below, these types of businesses are set up in a way so that contributing positively to society and safeguarding the environment is the way they make money. How so? By being led by a social mission, rather than by maximisation of profits, they make social and environmental sustainability their business model in a commercially viable way.

Since the on-set of the current pandemic crisis, all business has been tremendously affected, nearly all of it negatively. Covid-19 has starkly drawn up the dysfunctions of the current, mainstream economy. Not just are the massive inequalities created by it drawn out into plain sight, but the fragility and lack of resilience of global supply chains is now impossible to miss.

We believe, however, that Covid-19 has also been a litmus test for how business can be done differently. In this year's Review we are therefore focusing on Fair Trade Enterprises' relationships with producers, artisans and workers, which are key to ensuring decent working conditions, fair remuneration, good environmental practices and, particularly, resilience in times of crisis.

#### PLEASE DO ENJOY THE VARIETY OF WFTO MEMBERS AND THEIR IDEAS!



Mikkel Kofod Nørgård Regional Coordinator, WFTO-Europe

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## WHO ARE WE?

We are the European branch of the World Fair Trade Organization. Like all regional branches, we support our members on a local level to innovate trading structures and change our current economic model. Our 110 members, from which 60 are guaranteed, establish long-term relationships with their producers and artisans giving weight to factors like decent working conditions, a sufficient living income and the protection of fundamental rights and the environment.

All WFTO members show that alternative business models which put people and planet before profits are possible. Therefore, we constantly highlight their business practices, especially with regards to women leadership, climate initiatives and to social and environmental sustainability as a whole. We encourage our members to work together and collaborate to grow stronger and to exchange of their best practices.

Our daily work consists of promoting Fair Trade, advocating, campaigning and monitoring on a European level. Being located in Brussels, we are able to influence policy makers together with other players of the Fair Trade movement. We are the voice of Fair Trade, and the link between our members and the movement as a whole.

#### **10 PRINCIPLES OF FAIR TRADE** THE No Child Labour, **Opportunities for** Fair Payment Transparency & Fair Trade No Forced Labour Disadvantaged Accountability Practices Producers 8 Capacity Building No Discrimination, **Promote Fair** 9 6 Gender Equity, Trade Freedom of Association +

## THE CORE OF OUR APPROACH

Our aim is to put people and planet first. Therefore, we base our work on 10 principles that are a minimum to make trade practices fair. Reducing inequalities and offering the workers equal opportunities, improving their health and living conditions, and protecting the environment as well as the local economies are examples of these standards. Our 10 principles specify the way in which Fair Trade enterprises work on economic as well as social, ethical and environmental levels. Hence, our members and prospective members are constantly being evaluated on their ability to comply with these

principles, and are encouraged to work together to reach them and even go beyond them, when possible.

These 10 principles of Fair Trade are a way not only to set a standard for our members, but to go further and aim for constant improvement. Our Guarantee System is there to verify the members' compliance and orient them towards solutions if they are having difficulties. Our philosophy is not to "punish" the already vulnerable enterprises, but rather help them and to find solutions to improve their business model while remaining loyal to the values we believe in.

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## FAIR TRADE AND THE SDGS

The UN Sustainable Development Goals (SDGs) give clear targets on different social and sustainable aspects to be reached by 2030. Fair Trade enterprises contribute significantly to the achievement of these targets, through their holistic approach and the mission embedded into their core business.

#### THE INTERCONNECTION AND OUR PRINCIPLES

The 17 Sustainable Development Goals (SDGs) are part of the UN Agenda 2030 and give an integral approach of addressing current and future challenges in a global partnership. With 17 concrete actions the SDGs map out the interconnection of all sectors in order to end poverty, improve health and education, achieve a green and fair economy and dealing with climate change at the same time.

This publication should highlight once more the close connections between the SDGs and the 10 principles of Fair Trade, which was part of WFTO-Europe's contribution to the "Trade Fair Live Fair" project funded by the European Commission. This project worked to raise awareness on Fair Trade and its contribution to the SDGs.

Here you can see how the Fair Trade principles directly relate with some of the SDGs. Fair Trade realises the multidimensional consequences which derive out of poverty and fights these challenges with an integral approach with a focus on creating opportunities for economically disadvantaged producers while simultaneously keeping social and environmental sustainability as core goals, too.

#### BETWEEN THE SDGS OF FAIR TRADE







## WFTO-EUROPE MEMBERSHIP



#### OUR MEMBERS



ARGE Weltläden EZA Fairer Hande Zotter Schokoladen Manufaktur

#### **BELGIUM - 4**

Belgian Fair Trade Federation Elecosy bvba Oxfam-Magasins du monde Oxfam Wereldwinkels \*

#### BOSNIA AND HERZEGOVINA - 1

BHcrafts doo

#### CZECH REPUBLIC - 1 Fairtrade Czech Republic and Slovakia

#### **DENMARK - 5**

Egos ApS Elvang Denmark A/S En Gry og Sif Fair Trade Denmark U-landsforeningen Svalerne

#### FINLAND - 4

Mifuko Ojoba Collective Tampereen Kehitysmaakauppa The Finnish Association of Worldshops

#### FRANCE - 13

Au-delà des Frontiéres Bouga CacaO Commerce Equitable France Dardenne Esperanza Café \* Fair Moms \* Fédération Artisans du Monde Karethic (Terrethic) Les Jardins de Gaia L'attelier \* Les Mouettes Vertes CMC Malongo Solidar'Monde

#### **GREECE - 2**

Syn Allois \* Greenland Co Farming \*

#### **GERMANY - 20**

Africulture Cha Dô Teehandels GmbH Chotanagpurgruppe El Puente Fair-Band FairMail Cards Fair-NETZ \* Forum Fairer Handel **GEPA Fair Trade Company GLOBO Fair Trade Partner** Heidelberger Partnerschaftskaffee\* Mekhada \* Mitka \* Nepalaya \* Nyuzi BlackWhite\* Ökotopia \* Paigh Tatico \* Weltladen-Dachverband WeltPartner eG

#### ITALY - 7

Associazione botteghe del mondo CTM Altromercato Soc. Coop. CTM Agrofair Italy Cooperativa Sociale Alice \* Equo Garantito FAIR\* Libero Mondo scs \*

#### **NORWAY - 1**

Indo Naturals \*

#### **NETHERLANDS - 15**

AlchemiA Amandla EFTA (European Fair Trade Association) Esaii \* FairForward B.V. Kanika \* Resirest Sarana See Me Seepje \* Simbólica Fair Trade Siyabonga \* Sjaal met Verhaal \* Tahoua Import Zimba-Arts \*

#### POLAND - 2

The Polish Fair Trade Association Szczypta Świata \*

ROMANIA - 1 S.C Networks Trading Srl - DECE

#### **SPAIN - 6**

Coordinadora Estatal de Comercio Justo (CECJ) EquiMercado \* Fundacion COPADE España Fundación Isabel Martín \* Initiativas de Economia Alternativa y Solidaria (IDEAS) Oxfam Intermón

#### SWEDEN - 4

The House of Fair Trade Fair Monkey ekonomisk förening Sackeus AB The Swedish Organisation of Fair Trade Retailers

#### **SWITZERLAND - 3**

El Tucan Gebana Tropical Mountains

#### **UNITED KINGDOM - 17**

Artisan Life\* BAFTS Ecoffins Fair Trade Scotland Greater Goods Island Spirit Just trading Scotland \* Mayamiko \* People Tree **Re-wrap Association** Scottish Fair Trade Forum Secret Pillow Project \* Shared Earth Shared Interest The Fair Trade Furniture Traidcraft Exchange Traidcraft PLC

\* Provisional Members are those, who are yet to complete the full auditing process of the Guarantee System.



## A GLOBAL NETWORK

The World Fair Trade Organization is present around the whole globe. Through the commitment of many motivated members and over 300 Fair Trade Enterprises we can proudly present to you these impact figures depicted in a recent study of the global office.



## Find out more

To find out more about WFTO members on a global level have a look at the Alternative Business Model report, a research revealing key insights about Fair Trade enterprises.

Published in the beginning of this year it gives a better understanding of the revolution in business which these mission-led enterprises fight for.



## OUR POLICY WORK

To substantially change trade from conventional ways towards social and environmentally sustainable models multilevel discussion and collaboration is needed. This is why one of our work pillars consists of policy work, often together with other actors of the Fair Trade Movement or the wider social economy network. At the moment, the following are the two major topics we advocate on.

## << MIND OUR BUSINESS >> REPORT

In collaboration with CONCORD-Europe, WFTO-Europe is advocating to amplify the transformative power of sustainable and inclusive business models through EU external action, which is the core of the *Mind Our Business* report, featuring some of our members.

This report makes the case for sustainable and inclusive businesses as key qualitative partners for the EU in its external action.

Firstly, sustainable and inclusive businesses are driven by a social and environmental mission allowing them to create, rather than capture, value. Secondly, they are directed by participatory decision-making and inclusive governance, shifting power to people who are often left out of business decisions affecting them, such as employees, producers, community groups or environmental and consumer organisations.



## FASS-FOOD, FAIR TRADE AND THE FARM-TO-FORK STRATEGY

WFTO-Europe is proud to be part of the FASS-Food EU Project, which stands for **Fair**, **Accessible, Sustainable and Short** food chains within the EU, along with the FTAO and the University of Antwerp. WFTO-Europe engages in advocacy for FASS food chains and we strongly believe that the Fair Trade Principles are key to making such food chains viable in Europe. Thereby, we contribute to the Farm to Fork strategy of the EU and even go a step further. Part of our work is to universalise Fair Trade, so expanding it to the global North. Here we see great potential for farming but also any other industry, which remains unfair and drives inequality in Europe, too. Make sure to have an eye out for our position paper on Northern Fair Trade, which will come out at the end of May 2021. A warm thank you to our members **Syn Allois** from Greece and **Altromercato and CTM Agrofair** from Italy for participating in the FASS-Food EU project as pioneer examples of enterprises contributing to FASS food chains.



## BUILDING FAIR TRADING PARTNERSHIPS

As the Covid-19 crisis has nearly shattered the foundations of most businesses leaving them struggling to survive, there has since been a significant focus on resilience - of supply chains, of businesses themselves, and of the economy at large to withstand shocks of different kinds and of magnitudes ranging up to the current crisis. Many businesses responded to the disruption by 'cuttingand-running' away from their producers and suppliers. This was most vividly seen from examples in the textiles sector, where businesses at a moments' notice cancelled and refused to pay orders already produced. Many years of hard work has been lost over the span of just a single year because of this type of corporate behaviour.

A very different type of response can also be seen, however, among certain businesses. Social and Fair Trade Enterprises have often taken action to support their producers and suppliers through this crisis, with whatever means they can. Their mission-led governance structure and business model mean that they have a completely different relationship with producers, suppliers and their workers. They collaborate with these to build strong and close trading partnerships founded on trust, solidarity and on mutual support to ensure mutual benefit.

The focus of this publication is to highlight the special relationships that Fair Trade Enterprises in the

WFTO-Europe network have with producers. The examples in this Review show some different approaches, which all have the commonalities of close (often personal) relationships that ensures the continuous improvement of the livelihoods of the producers and their communities. Other common elements include dialogue on design, capacitybuilding for the producers and their workers, and visits to producers as well as visits by producers to the enterprise in Europe.

These kind of business partnerships are crucial to ensuring social and environmental sustainability through constant improvement of business and production practices by collaboration, rather than by negotiation of who will shoulder the burden of upholding high standards on these parameters.

Furthermore, when either partner - or both - face a crisis, these type of partnerships mean they support each other to weather the difficulties. The selected WFTO members in this Review exemplify several inspiring ways of supporting their producers during lock-downs or vanishing demand, and of similarly supporting local shops in Europe suddenly unable to sell to their customers. Altogether, this makes for models of business that are much more resilient. Most importantly, this approach to business is clearly a key element in making an entire business fully sustainable and we hope that companies in general will learn from and be inspired by it.



#### BUILD BACK FAIRER

The Covid-19 pandemic and its social distance and lock-down measures are having a heavy toll on the most vulnerable in our societies, including small producers and workers. The current crisis has shown us not only how interdependent we all are but also how the destruction of nature, the deforestation as well as the climate and health crises are all interrelated, and share the exploitation of people and planet as a common root cause.Returning to "business as usual" after the pandemic would reinforce the inequalities and unsustainability of our current system. Instead, a transformation of the economy and the governance of global supply chains is needed, not only in the interest of small producers and farmers, but also in the interest of present and future generations.

# Malongo

#### MALONGO

## MISSION

FRANCE

Malongo is a French SME, family owned business, specialized in the import, roasting and commercialization of coffees, especially organic and fair trade coffees. Its work with producers and its knowledge of the coffee sector enable it to select top-of-the-range coffees grown with care. Since 1896, it is run by the same family and therefore it is a company with a human face. Malongo is an enterprise committed at various levels: socially, for the quality of their products and environmentally, in France as well as in producing countries. Its environmental policy includes all sectors of the company: from the supply of coffees, produced according to methods that respect nature, to production, which favors recyclable packaging.

# Relationships with Producers

Malongo imports about 30 different fair trade coffee origins from 14 countries. Each country, each terroir and each cooperative being different, Malongo adapts to the different local contexts to carry out its partnerships. The company works to support the cooperatives in their development and to improve the quality of the coffee. All this with the aim of developing new products to be commercialized, in line with the company's taste standards. It is a win-win partnership, based on trust and mutual commitment.

Another aspect that the company holds dear is the accompaniment towards fair trade and organic farming certifications, when it is possible. Malongo establishes partnerships with producers who, at the beginning, are not always certified, but they commit to them and follow them in their approach. Malongo evaluates the production potential of the cooperatives, sets objectives that correspond to them and builds a development plan over 3 or 5 years to bring them towards independence and financial profitability.

By ensuring outlets and a minimum purchase price over the long term, Malongo allows the cooperative to project itself into the future and to develop. Producers are guaranteed to be paid for the fruits of their labor.

## Covid-19 Crisis Impact

The health crisis has not impacted all countries in the same way. The Asian countries with which Malongo works, such as Laos and Myanmar, have closed their borders, making it impossible to travel to the cooperatives. In Latin America and Mexico, Covid hit harder, but visits remained possible, permitting the follow up of projects on sit.



In France, the Covid crisis had a strong impact on marketing volumes. As Malongo sells 40% of its coffee to restaurants, bars and hotels, their closure for many months had an impact on sales and purchasing volumes. Despite the obvious decline in sales, the French roaster has given priority to its partner cooperatives and has maintained its purchase volume commitments to them.



## Most Inspiring Achievement

An impact study was carried out last year to highlight the positive impact of fair trade on the CPC cooperative in Laos, a Malongo partner since 2008. The results showed that their collaboration improved the had livina conditions of the families. The cooperative has become an important player on the Bolaven Plateau, leading to the development of the entire region.

Local buyers have increased their prices, people have started to plant more coffee, creating a real dynamic for the local economy. The social organization of the CPC is a model of its kind. It is а centralized cooperative that brings together the different productions the member of True examples villages. of success, the producers have had the opportunity to share their experience with other coffee Myanmar for growers, in example or in the North of the country. An exchange of good practices between farmers which is beneficial for all!

#### EZA FAIRER HANDEL



Fair für alle.

#### AUSTRIA

## MISSION

The Austrian Fair Trade pioneer EZA Fairer Handel was founded in 1975. For EZA Fair Trade is the rule not the exception. To improve livelihoods of producers, to make consumers question common trading practices with the objective to change their purchasing patterns and to address structural inequalities – these are the main objectives. To advocate for fairer supply chains and to high-light the link between climate justice and trade justice are topics on EZA's agenda.

#### **Relationships**

For EZA transparency is of utmost importance. EZA information about its 136 partner shares organisations by providing a direct link from each product in its online shop to the involved producer organisations and trading partners. To be able to communicate accurately who produces the products, EZA fosters a very close exchange with most of its trading partners. This includes direct contracting and ordering, which is the case for its huge range of crafts & fashion products, coffees and other food products. On-site visits and invitations to partners to visit Austria are strengthening the close relationships and are giving consumers access to first-hand information. In the case of certain composite food products EZA sometimes cooperates with other Fair Trade organisations like the WFTO-Europe member GEPA in Germany or a FLO-certified Swiss chocolate manufacturer to enhance efficiency and enable a division of tasks.

#### **The Covid Crisis Impacts**

Ever since the pandemic started EZA got into a steady producer exchange with their trading partners and organisations to update each other on their respective situation. This information was disseminated to the consumers and World Shops. The Austrian World Shops Association, another WFTO-Europe member, created the Emergency Support Fund to support trading partners and producers affected by the ongoing Covid-19 crises. EZA has backed this important initiative from the very beginning, promoted it and, above all, proposed concrete support projects in close contact with its trading partners. The money raised through this fund enabled producers e.g., to safeguard jobs even with idle production and to finance Covid-19 safety measures or support activities for producers in need. The Emergency Support Fund provides a short-term relief. On the long-term consumers must be motivated to buy Fair Trade products because producers need reliable and continuous orders and strong trading partnerships to keep improving their working and living conditions.

Moreover, EZA did not cancel any orders, as many mainstream businesses did. All invoices were paid on time and advance payments were made where requested from its trading partners.





#### EZA FAIRER HANDEL

#### AUSTRIA

## INSPIRING ACHIEVEMENTS

EZA's stands out with its resiliency. For over 45 years, EZA has campaigned for an alternative way of doing business that empowers people at the beginning of the supply chain. It asserts itself in an unfair competition where preference is given to companies that do not take responsibility for the production conditions of their products. EZA together with many other Fair Trade actors, producers, World Shops and customers are going against the flow showing that a more sustainable and climate friendly way of doing business and consumption is possible. For EZA, products are always a way to set themes and send a specific message to customers. With its Coffee for Future EZA addresses the issue of climate crisis, climate and trade justice, the Coffee Adelante, grown and marketed by women initiatives in Honduras and Peru, stands for women empowerment, helping women to defend their rights and to strengthen their independence. In Fair Fashion EZA sets high standards for its products concerning the social and environmental quality of the garments and motivates people not only to buy fair trade clothing but also to participate in activities of the NGO Clean Clothes Campaign aimed at improving working conditions in the garment industry. Overall, EZA with the help of its innovative trading partners and producers, created an attractive product mix while striving for high social, environmental and quality standards.

#### EZA's Story Time

Qhana is a cooperative of knitters in Bolivia and a long-lasting trading partner of EZA. Since they do not belong to any Fair Trade certification scheme, EZA is guaranteeing its Fair Trade compliance. As part of their monitoring, EZA trained Qhana to follow the 10 principles of Fair Trade and to develop their own FT policies and practices. This led to a strengthening of the organization and the participation of the knitters from the marginalized, indigenous community. Today the knitters are on the Board of Qhana and managing all organizational tasks. In addition, the cooperative decided to invest into hand knitting machines, that allow the knitters to earn more. The training sessions are held by experienced members of the organization, including people with disabilities who share their knowledge with the group.

For EZA, Fair Trade is an example of how bridges are built across continents, connecting people worldwide in a very special way. At the heart of this is the conviction that only together can we succeed in making the world a better place for everyone.

#### HOW TO DEVELOP STRONG PARTNERSHIPS



## ASSOCIAZIONE BOTTEGHE DEL MONDO



ITALY

Warm greetings and congratulations to Associazione Botteghe del Mondo on their 30-year anniversary! Associazione Botteghe del Mondo, is a network of 50 cooperatives and associations running over 100 "Botteghe del Mondo" (World Shops) promoting Fair Trade. Their mission is to fight for social justice by reducing poverty, through capacity building for marginalized producers.

#### **Relationships**

Their three most important pillars in the relational context are transparency, collaboration and continuity. Since the network actors have different means these points help to reinforce partnership while working toward a shared mission. The Fair Trade Principles and the Fair Trade International Charter resemble the connecting bridges.

Associazione Botteghe del Mondo places high value on their relationships and guides members to enlarge their own contexts and horizons to interact with more stakeholders, local especially institutions as schools and universities and social and solidarity economies. Regarding this aspect a lot of cooperation exists with WFTO-Global, Europe, WFTO FTAO ,Equogarantito and Fairtrade Italy to provide the World Shops with necessary technicalities, possibilities to evolve and to support them with advocacy work and local events. Helping members to create new strategies and political agendas is top of the agenda. Furthermore, educational sessions about Banca Etica and Mag. the financial stakeholders provide support to the World Shops. The workshops and programmes always circle around the Agenda 2030 and the SDGs



## **Covid Crisis**

Associazione Botteghe del Mondo organized an assembly to check in with the World Shops. Many of them had improved their e-commerce and home-delivery services, which led to more customer contact. For the producers who were able to produce, the World Shops confirmed their orders. This showcases the stability of the Fair Trade Model also during difficult times. The crisis reinforced the community spirit, which increased consumers' support for Fair Trade and the World Shops. The boosted demand and the increased use of technology led to a good result for the World Shops in 2020 highlighting the value of Fair Trade networks.

#### Most inspiring achievement

Tuttaunaltracosa is the national Fair Trade festival. It attracts around 60-70 exhibitors from World Shops to producers, local institutions, social and solidarity economy networks and other Fair Trade networks. Tuttaunaltracosa offers a great opportunity for World Shops to have direct contact with customers and to meet other World Shops, it also offers 2 davs of cultural programmes. 2021 will mark the 27th creation of momentum.

Tuttaunaltrocampo, the only international youth camp on Fair Trade and social and solidarity economy in Italy is another great in initiative of the Association.

## **Story time**

La Páz. Bolivia in 1998. Antonia Rodrigues is a young woman working for а family alpaca cooperative when she meets Associazione Ad Gentes, member of Associazione Botteghe del Mondo, on their fortunate trip. Antonia envisions to sell high-quality alpaca

sweaters. 🛽



Associazione Ad Gentes convinced by Antonia's determination provides support by proposing to sell them at Italian World Shops. Antonia seizes the possibility and together with other poor but very strong women founds the cooperative ASARBOLSEM starts and on keeping Italians warm. The first order accounts for around 700 Dollars. Fast-forwarding to the present, 70 World Shops all over Italy are offering the fine garments. Thanks to the strong durable relationship with the World Shops Antonia and all the women at ASARBOLSEM have a fixed income, which allows them to get training and to send their kids to school. Antonia has always been ambitious and so ASARBOLSEM is now also a WFTO guaranteed member, and she has heen guest а at Tuttounaltrocampo many years ago. This is only one example of the strong impact of Fair Trade and how it positively shapes unique stories.

#### SHARED EARTH



#### UNITED KINGDOM

## SHARED EARTH'S MISSION

Shared Earth is an UK Importer of Fair Trade, eco and ethical products from around the world, specializing in sustainable and recycled products. They buy from 20 WFTO members around the world. Fair Trade is the basis of their business, as well as the environment. Their policy is to follow the 10 principles of FT. They also have a mission statement which is to tackle the climate crisis, and create a fairer, more sustainable world. They've put the environment as their top priority. Indeed, if the climate crisis isn't tackled, global warming would destroy all the good work the fair trade movement has done in the last 50 years.

#### **Relationships with Producers**

The most important for Shared Earth, is to have equal relationships with their producers. They try their best to get along with the people they are trading with, and to have meaningful relationships, not only based on rules and regulations but on mutual respect and appreciation for each other. Both producers and retailers have something to offer to each other, and the help goes in both ways. Many times, producers helped Shared Earth in times of problems. Being able to count on the people you partner with, is for them a valuable part of what Fair Trade is about. The most important is to create relationships of respect and equality, which are going to lead to equality in the world.

#### The Covid-19 Crisis Impact

Lots of their suppliers are suffering because of the lack of orders and of work. They sometimes had to help them giving out food and provide for them financially. More importantly, during this crisis period Shared Earth continued to develop new products and to order a lot. Their catalogue from this year came out with way more new products than in any previous catalogues. For them, it is very valuable for suppliers, that they still place orders for the artisans to have work.

## MOST INSPIRING ACHIEVEMENT

Shared Earth provided a wake up call to the fair trade movement in general about climate change. They consider sustainability and eco values needs to be treated more seriously. They try to help their suppliers to fit to the eco market, and some of them have then introduced eco products in their range. They also believe that shipping is one of the Fair Trade movement's two major contributors to global warming, and we need to tackle it urgently. All their shipping is now carbon-neutral, using biofuels through the services of GoodShipping, which they recommend to all businesses which wish to reduce their carbon emissions.





#### GERMANY

## MISSION

Globo originates from founder Manfred Winkler's engagement with student groups in Germany and Switzerland in the 1960's that saw the issues with the mainstream economy and wanted to change it. They rejected the model of communism, and instead looked towards 'capitalism with a human face.' In 1971, Manfred traveled to Latin America, where he saw for himself what exploitation looks like and what the inequalities created by the prevailing economic system means for marginalised people in different parts of the world. This led him to found Globo in order to give such people better opportunities to improve their livelihoods, and to demonstrate that business can be done differently to serve both people and planet. Since then, for nearly 50 years, Globo's mission has been to work with such marginalized producers, workers and artisans mainly in Latin America, Africa and Asia by paying better prices, improving livelihoods, and bringing products from these countries to Europe both physically and culturally (by keeping the traditions that these products embody).

#### **Relationships with producers**

Globo approaches the relationships with their producers as partnerships, and they know each of them personally. They collaborate closely with them, for example on the design of products, but always as a dialogue – they listen to the ideas, cultural values and traditions of the producers and finds the middle way with what pleases customers in Europe. They have relationships with producers in approximately 25 countries counting 60 producers. One of key challenges in many of the countries of Globo's producers is that all producers must make use of an export office to ship their products to Globo. This is often very expensive and can be a big barrier for many producers, especially from indigenous groups, in these countries. Globo has found ways to help them overcome this barrier by working together with trusted people to handle the export papers and other necessary documentation.



#### **GLOBO - FAIR TRADE** PARTNER



#### GERMANY



FAIR TRADE **SINCE 1973** 



SUSTAINABLE PRODUCTION

HANDCRAFTED WITH LOVE



#### FAIR & SOCIAL



#### TRANSPARENT SUPPLY CHAINS

## **Covid-19 Crisis Impact**

During the Corona pandemic the producers that Globo work with were for the most part hit by restrictions barring them from working or were hit directly by the disease, either themselves or family members or relatives. Globo itself has also been hit by lower sales over the last year, but they have stayed committed to their producers and they did not cancel any orders throughout.

In order to further support their producers times, durina these devastating Globo participated in paying aid to them. In response the to the pandemic. German Federal Government lowered consumption taxes from 19% to 16% in general and on food from 7% to 5%. Globo collected the difference and paid it into an account managed by the German association of world shops, Weltladen-Dachverband, which ma-naged to collect around € 500,000. Globo and other contributors were then asked to identify producers,

and the money from the collection was then divided proportionately and sent directly to these producers.

Also at home, in Germany, did Globo go an extra mile to support their partners: Most of the world shops, which are amongst Globo's wholesale customers, had to close down due to Covid-19 restrictions

or in order to safeguard members of staff in high-risk groups. This has taken a heavy toll on the world shops who virtually unable to sell anything during lock-downs. Globo thus gave their online customers the option of identifying the world shop closest to them, and Globo would then pay to the world shop the difference between the price paid by the customer and the wholesale price that the world shops normally pay to Globo. This gave much needed support to many world shops in Germany that were barred from selling to costumers themselves.

## **Most Inspiring Achievement**

In the 50 years since Manfred first went to Latin America and decided to set up Globo, he has witnessed and driven a remarkable change in approach to business amongst Globo's peers. At first, mainstream business people around him was laughing at his approach of running an enterprise that makes direct relationships with the primary producers, and does business which is mutually beneficial to them and itself. 30 years ago they were calling him a communist since Globo was

paying producers more than market prices, and he was known as El loco de Alemania. Today, however, many of these people now speak the same language that he did 30 years ago, many of them now run Fair Trade Enterprises of their own. Through half a century, Globo has been a pioneer in their field and continue to show the way for other businesses on how fairness and sustainability can be ensured through direct, strong collaborations relationships and with producers.



#### BELGIUM

## MISSION

Elecosy was set up in 2013 by Mady and Frank after a trip to Sri Lanka. They both originate from the paper and interior design industry, and for the trip to Sri Lanka they were involved in a project on carbon certificates for developing country producers. Meeting producers making paper products with elephant's dung and cut-offs from the cotton industry inspired them to set up Elecosy to market completely natural and sustainable paper products in Europe. However, as this type paper turned out not to be suitable for wall paper, their key area of expertise, they had to take on the challenge of moving beyond the field they knew best. Throughout they have been dedicated to the mission of marketing a sustainable and eco-friendly product that contributes positively to the communities of the producers while safeguarding animal welfare for endangered species like elephants and rhinoceroses.

#### Relationships

Elecosy started out with their relationship with a paper producer in Sri Lanka, which has been their main trading partner for their paper products. Elecosy visits this producer in person every year to collaborate on design, capacitybuildina and on continuously improving how the work contributes to the livelihoods and communities of the artisans there. Capacity-building is in particular essential to adapt design of products to the European market. While many of the products that Elecosy markets are thus designed for the European market in collaboration with the producer, a big part of them remains the producer's traditional products made with local design and techniques.

While Elecosy was looking into natural dyes in India for the paper products, they happened upon another of their close and trusted producers, Auroville Papers. They approach of have the very completely natural paper products made with particular attention to working conditions and remuneration fit into Elecosy's model. that Auroville Papers innovates a lot on their own for different kind of products, the most iconic being the paper flowers that are very popular

at Elecosy. In order to create stability and stability for the producers, Elecosy prefinances their orders and to the extent possible they make continuous orders even when some stock remains unsold.

#### **Covid Crisis**

During the Covid-19 pandemic nearly completely operations shut down at the producers Elecosy collaborates with. Especially the producer in Sri Lanka, which is slowly restarting production only quite recently. Until then, Elecosy continued to order from them in an effort to help the producer and its artisans. In turn they were provided with any leftover stock that the producer could still manage to find to fill the orders. both stretched their so capacities in order to keep business running even during tough lock-downs in both countries. In a similar fashion, Elecosy provided advance payments to Auroville Papers in order to support the enterprise and the people depending on it during the pandemic.

**Most Inspiring Achievement** 

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## WHAT CAN YOU DO?

All of us as individuals can help contribute to the fair and sustainable future we need, but of course we cannot do it alone. Business and policy-makers will have to do their part, too. Don't despair if the task seems overwhelming - here are the two most important actions you can take:

## SPEAK OUT!

To achieve a sustainable world economy, business will have to change at its foundation. The enterprises highlighted in this Review all demonstrate how mission-led business models work to contribute directly to social and environmental sustainability by simply doing their core business and remain commercially viable. They operate in accordance with SDG 12 - Sustainable consumption and production - and are one model towards a sustainable future.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Help spread the word and raise awareness of such business as a working alternative to business as usual! This is an action everyone can do where you don't need to balance your budget first, and the impact if all of us speak out strongly in support for such business models is tremendous.

## SHOP FAIR ONLINE



## wfto.org/webshops

Take a look at the Fair Trade web shop to find beautiful and handy products from enterprises constantly striving to improve on responsible and sustainable production. All products you find there are crafted and produced adhering to the 10 principles of Fair Trade and contribute to bettering the livelihoods of marginalised communities worldwide.



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In times of crisis, the values and ideals of fair trade are upheld and demonstrated in the support given to the producers and those most affected.

## **ROOPA MEHTA, WFTO PRESIDENT**

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