

Electronic forum on the theme « Rethinking Fair Trade in Africa »

LAUNCHING TEXT

Background

In the current conditions of liberalisation of economies, Africa's share of world trade is constantly diminishing, limiting the creation and efficient distribution of wealth around the continent. So African countries are only suffering the negative effects from the forced opening of their markets. Also, in the framework of the Cotonou agreements, the European Union's approach in EPA negotiations imperils the goal of fostering development in ACP countries, and particularly of African countries. However, everybody agrees that international trade could be a powerful tool for eliminating poverty, if the laws that govern it were not inappropriate and unfairly applied. It is thus necessary and urgent to seek for alternatives to this international trade to promote a sustainable development in Africa.

Fair Trade as an alternative

With its roots in the demand for "Trade not Aid" made from the beginning of the 1960s onwards by developing countries, fair trade is an alternative approach to conventional international trade, defined as "a trading partnership to provide sustainable development for marginalised or disadvantaged producers. It seeks to realise this by offering better trade conditions to producers, whilst educating consumers to raise awareness and by campaigning". (The FINE working group, a collaboration by the 4 main international fair trade networks, developed this definition). Trading partnerships are based on dialogue, transparency and respect, and seek greater equity in international trade.

Fair trade is gaining more and more ground among European consumers and their representatives. Sales and awareness of this type of trade are on the increase and the European Commission recognises the role played by this type of trade as a tool for development cooperation. The Cotonou Agreement should aid the promotion and development of Fair Trade with ACP countries and especially with Africa. Fair trade is mentioned in the civil society consultation process and is part of the Cotonou Agreement Compendium. It should also be noted that although the new agreements mention the promotion of Fair Trade in its Article 23 g, they contain no measures for its implementation. Fair Trade is also one of the four areas for action identified by the European Commission in its Sustainable Trade Action Plan launched in July 2003, which has as its goal to promote sustainable development.

The situation of Fair Trade

Up to now, Fair Trade links producers in the South with consumers in the North. It can work in two different ways: via the integrated channel, for craft products (using specialised shops, with goods bought and sold directly by organisations like Artisans du Monde), or via the labelling channel, mainly for agricultural and food products, using certification bodies introduced at the end of the 1980s along the lines of Max Havelaar in the Netherlands, which have since 1994 been under the single umbrella of Fairtrade Labelling Organisation International (FLO). Fair trade organisations ensure that all these criteria are respected. Certification agencies inspect their partners, and purchasing centres and alternative shops agree to work within clear rules, placing full information at their clients' or consumers' disposal.

According to a report from the French High Council on International Cooperation (September 2003), fair trade today provides an improved standard of living for nearly 850,000 producers' families in the South, or approximately 6 million people. Its activity covers 48 countries in the South (of which almost half are in Latin America) and around twenty countries in the North (Europe, the United States, Canada, Japan, etc.). It operates in Africa, Latin America and Asia, but of these three continents Africa is the one that benefits the least (in terms of numbers of producers involved).

To improve consumers' knowledge of and confidence in products labelled as "fair trade", "ethical trade" or "sustainable trade", the European Commission wants to set up a recognition/accreditation system for fair trade, ethical trade and sustainable trade labels. Producers in developing countries nonetheless fear that the development of new labels may be a tool for concealed protectionism on the part of the European Union. They rightly point out that although there are already many technical and health protection barriers to the European market, European products' entry into ACP countries is unrestricted. This could create enormous limitations to Fair Trade for producers from the South, and additional technical obstacles to trade, instead of benefiting to a higher number of producers. Hence the necessity to rethink Fair Trade and its development in Africa on the basis of the exchanges of experiences and analysis around the thirty last year of Fair Trade in Africa, on one side, and the exploitation of the potential of South-South and inter-African Fair Trade, in the perspective of regional integration processes under way, on the other side.

Orientations for the discussions on the forum

To structure the debate, we shall attempt – for this first phase which will last from January 6 to February 9, 2006 – to have a deeper view of the situation of Fair Trade in Africa by commenting the text above and by answering to the following non exhaustive preoccupations:

1. Who are the different actors of Fair Trade in Africa, and how can we categorize them?
2. Which are the most important for you? Through what criteria are they important and why? What are their positions?
3. Please give concrete examples with detailed references (complete addresses) on the individual and institutional actors that you know.
4. What are the different practices in Fair Trade that we meet in Africa? (a brief description of the practices or different significant initiatives in Fair Trade)
5. What are the general strength and weaknesses of the Fair Trade initiatives that are developed in Africa, generally speaking?
6. Specifically, what are the strength and weaknesses of each of the significant experiences described above?
7. What are the impacts of each of those experiences on governance and local sustainable development?
8. What are the necessary conditions so that Fair Trade contributes efficiently to local development ?
9. On the basis of the answers to the previous questions, what vision statement can we propose to put Fair Trade at the service of sustainable development in Africa?

Thank you to contribute to this debate by bringing your critical appreciations of this text, that we voluntarily kept short, by answering to the questions and / or sending your reference documents. The address of the forum is: fairtradeafrica@socioeco.org

You can also visit the Web site of the workshop on <http://fairtrade.socioeco.org/> and of the Fair Trade Workshop at <http://fairtrade.socioeco.org/> for complementary information.

If you want to subscribe, please send your details (name, organisation, address, email) or questions in French or English at: fairtradeafrica@alliance21.org.