



### **INTRODUCTION**

01 || ENABLING THE MEN TO STAY HOME

02 || BUSINESS FOR DEVELOPMENT

05 || FLO: WHO ARE WE?

### **CREDIBILITY**

06 || THE GOLD STANDARDS

08 || FLO-CERT: DELIVERING TRUST

10 || CLOSER TO THE PRODUCERS

13 || QUEUING UP FOR FAIRTRADE

15 | + + HIGHLIGHTS + + OF THE YEAR

### **BUSINESS FOR DEVELOPMENT**

16 | FROM WORKERS IN PLANTATIONS TO INDEPENDENT FARMERS

18 | A SWEETER LIFE FOR HONEY PRODUCERS

20 || THAI RICE FARMERS GAINING INDEPENDENCY

### **NOTES AND FIGURES**





### **ENABLING THE MEN TO STAY HOME**

**COMPANIES LIKE TO PUT A LABEL ON A CONSUMER PRODUCT TO HIGHLIGHT A PRODUCT'S SPECIAL QUALITIES:** "electrically super-safe", or: "good for children", or: "responsible" (whatever that means). Instead of just writing the claim on the package, companies use the form of a label because it gives the statement more seriousness, more authority – more credibility, in the experts' jargon.

But what makes a label credible? How can you be sure that the claim made is actually true? First of all, it helps to have somebody else who has no direct interest in the product check the claim — "independent verification". Then, that external body should be able to explain how it went about this checking, and how it came to its conclusion — in other words, the check should be "transparent". And finally, if anybody has good grounds to question the result, there should be an adequate system to review the work done — an adequate "appeals system". These traits form the heart of what the INTERNATIONAL STANDARDS ORGANIZATION ISO calls a credible certification system, as laid down in the ISO norm 65. It's a high norm, and FLO has been investing considerable time and money to be publicly recognized as complying to ISO 65 (we should finally achieve this before the end of 2006). Next time you see a label that interests you, ask whether it complies with ISO 65 or is trying to. In more than a few cases, you may be in for a surprise.

But credibility is more than just technical. It's also about how the claim on the label is translated into practice. Whether "good for children" only refers to production without prohibited pesticides, or also to vitamin and mineral additives that promote a child's well-being makes quite a difference.

What a label stands for is laid down in its standards. In the past year, especially for workers on plantations and in factories, FLO has been looking very critically at whether its standards really make good on Fairtrade's claim of bringing empowerment and sustainable development to them. It led to a complete overhaul of the so-called "hired labor standard". The new version that has come into force this year focuses much more on workers' training,

management commitment and on better cooperation with local labor unions. Read more about it further on in this Report.

Yet ultimately, a label's credibility comes down to: does it work? Applied to Fairtrade: does it really give those producers and workers in developing countries that need it most a greater influence on their situation ("empowerment"), and a better life for themselves and their children ("sustainable development")? At FLO, we coin this: FAIRTRADE'S IMPACT, and we are making it the central indicator of our whole labelling system. We are developing ways to measure Fairtrade's impact, ways to gather the information, and easy ways to communicate our findings to you – consumer, journalists, politicians, academics, NGOs and agencies supporting Fairtrade. You'll hear more about this in the coming year.

It's quite a challenge to find simple yardsticks for "empowerment" and "development", as anybody who has tried knows. In the meantime, fortunately there are also very immediate ways that show that Fairtrade works. At the major international conference on Fair Trade in Chiapas, Mexico, last March, my fellow FLO Board Director Victor Perezgrovas, who also presides over the Majomut coffee cooperative in Chiapas, said that when people ask him about Fairtrade's impact, his answer is simple. "In many villages in Chiapas, you'll hardly see any younger men anymore. They've wandered off to the big cities and to the U.S., looking for work and income, because in their villages, neither farming nor anything else allows them to earn a living and feed their families any longer. The result, in terms of broken families, orphaned and disrupted communities, and disintegration of communal life, is dramatic. But in the villages of Majomut's cooperative, the men have not left. Fairtrade has allowed them to stay, to provide their families with what is needed, to contribute to communities prospering."

NEXT TIME YOU WONDER ABOUT THE LABEL'S CREDIBILITY, PLEASE REMIND YOURSELF OF VICTOR'S STORY.

# ++ BUSINESS FOR DEVELOPMENT

"FROM NOW ON, YOU ARE NO LONGER SMALL AND POOR," René Mendoza of Nitlapan imbues coffee farmers in Nicaragua, "but entrepreneurs of what will become prospering businesses." Nitlapan gives credits to farmers who don't really have anything, and the most critical success factor, according to René, is entrepreneurial spirit. "In the past decades, 'development' has become a matter of study, debate and policy, of dependence, charity and aid," René told me some years back, "but as soon as you can produce something, it's often quite simple, even if you're very poor and struggling to survive. The trick is to start seeing yourself as a businessman. and to learn and get what you need to make your business a success. It's the fastest way to development - without even having to use the tainted term.'

This is exactly what Fair Trade has been trying to convey: that the best way to give small-scale producers in developing countries a real opportunity towards a better life is to give them a fair chance to produce and market their products. Judging from FLO's figures, in recent years, this message has been falling on fertile ground in Africa, Asia and Latin America. In 2005, FLO-Cert received over for initial Fairtrade-certification. In 2005, the total number of certified organizations increased by 18 % from 432 at the end of 2004 to 508 at the end of 2005. This figure includes both organizations of factories in which the workers and management have formed so-called Joint Bodies that receive the Fairtrade premium payments. The Joint Bod-

ies manage the investment of the Premium in social, economic and environmental projects. At the same time, they allow many workers to discover the advantages of becoming organized and working together to improve their lives. And in South Africa, the Joint Body is actually promoting entrepreneurship because it is linked to the government's program to make black workers co-owners of plantations owned by whites. Plantations must be at least 25% black-owned to enter Fairtrade.

Of course not every producer or worker is born an entrepreneur. That's why in 2005 FLO invested heavily in extending its local business advisory service. In particular, it entered into a strategic partnership with SNV, a major Dutch organization with 40 years of experience of providing business partnership and to support from half a dozen other organizations, FLO could extend its network of socalled liaison officers from 9 to 15 by May 2006, supporting producers in over 35 countries.

Markets are what burgeoning businesses need most. AGAIN IN 2005, MILLIONS OF CONSUMERS WORLD-WIDE SIGNIFICANTLY INCREASED PRODUCERS' MARKETING OPPORTUNITIES BY BUYING SOME 1,1 BILLION € WORTH OF **FAIRTRADE-LABELLED PRODUCTS, 37% MORE THAN THE YEAR BEFORE.** All product lines expanded their markets, especially Fair Trade coffee in the U.S. (+ 70,9%) and the U.K. (+ 34%), bananas in Austria (+ 46%) and sugar in France (+ 125%). Non-food products did well too: sales of Fairtrade flowers, newly introduced last year in Canada, Germany and Belgium

surpassed even the most optimistic expectations. Thanks to continued strong sales in Switzerland and the U.K., a total of 113 million stems of Fairtrade flowers were sold in 2005. Textiles and other products made from Fairtrade-certified cotton, sold in 2005 for the first time, have caught consumers' enthusiasm. In fact, sales have been so successful that demand for Fairtrade cotton has been much bigger than supply, causing a scramble within FLO to find more organizations of small-scale cotton producers in West-Africa and Asia.

IN THIS REPORT, YOU'LL READ SEVERAL STORIES ABOUT SMALLHOLDER ORGANIZATIONS THAT, WITH THE SUPPORT OF FAIRTRADE, HAVE BECOME THRIVING BUSINESSES. There are many more examples. Just one, to whet your appetite: In the years of general Pinochet's dictatorship in Chile, his government considered co-operatives as breeding grounds for communism, and they were severely repressed. But since Pinochet was ousted from power, small-scale producers have been re-discovering the potential and merits of joining forces. It led beekeepers in the middle of the country to form the Cooperativa Valdívia, which developed a highly successful honey business. Early this year, with the election of Michèle Bachelet as Chile's new president, the co-operative had reason to celebrate, because one of Ms. Bachelet's priorities is the development of small and medium enterprise. Twenty years ago, the co-op's beekeepers were poor people struggling to survive. Today, they are seeking a meeting with Chile's president to convince her to make Fair Trade a cornerstone of her promotion of small-scale business.



TEA \* 1.965 || 2.614 +33%

80.640 II 103.877 +29% BANANAS

2004 REAL II 2005 ESTIMATED GRO

FRESH FRUIT \* 5.156 II 8.289 +61%

C0C0A \* 4.201 || 5.657 +35%

SUGAR \* 1.960 || 3.613 +84%

1.240 | 1.331 +7

**FAIRTRADE SALES VOLUME 2004 || 2005** 

STEMS

\*\* ITEMS

\* 4.543 || 4.856 +7% JUICES

1123.758 +97%

62.934

BEER

+23% 1.384 || 1.706 RICE

\*\* 55.219 || 64.144 SPORTBALLS

WINE \*\*\*\* 617.744 || 1.399.129 +126%

238 II 306 +29% FRUIT DRIED

COTTON \* 0 II 1.402 ++

101.610.450 II 113.535.910 +12%

NATIONAL INITIATIVE	ESTIMATED RETAIL VALUE	ESTIMATED RETAIL VALUE		INCREASE	
	2004	2005		IN	%
AUSTRIA	15.781.273	25.628.827	+		62
BELGIUM	13.605.000	15.000.000	+		10
CANADA	17.536.575	34.847.667	+		99
DENMARK	13.000.000	14.000.000	+		8
FINLAND	7.553.000	13.031.556	+		73
FRANCE	69.670.360	109.061.417	+		57
GERMANY	57.500.000	70.855.000	+		23
IRELAND	5.051.630	6.551.910	+		30
ITALY	25.000.000	28.000.000	+		12
JAPAN	2.500.000	3.364.500	+		35
LUXEMBOURG	2.000.000	2.250.000	+		13
NETHERLANDS	35.000.000	36.500.000	+		4
NORWAY	4.785.900	6.733.650	+		41
SWEDEN	5.494.505	9.271.398	+		69
SWITZERLAND	136.000.000	143.117.240	+		5
UNITED KINGDOM	205.556.621	276.765.302	+		35
USA	214.603.263	344.129.555	+		60
AUSTRALIA + NEW ZEALAND	884.939	2.462.169	+		178
TOTAL	831.523.066	1.141.570.191	+		37





### NI ESTIMATED RETAIL VALUE 2004 | 2005 | IN EUROS

### FAIRTRADE LABELLING ORGANIZATIONS INTERNATIONAL: WHO ARE WE?

FAIRTRADE LABELLING ORGANIZATIONS INTERNATIONAL (FLO) was established in 1997, and is an association of 20 national labelling initiatives that promote and market the Fairtrade label in their countries. Fairtrade Labelling organizations exist in 15 European countries as well as in Canada, the United States, Japan and Australia and New Zealand.

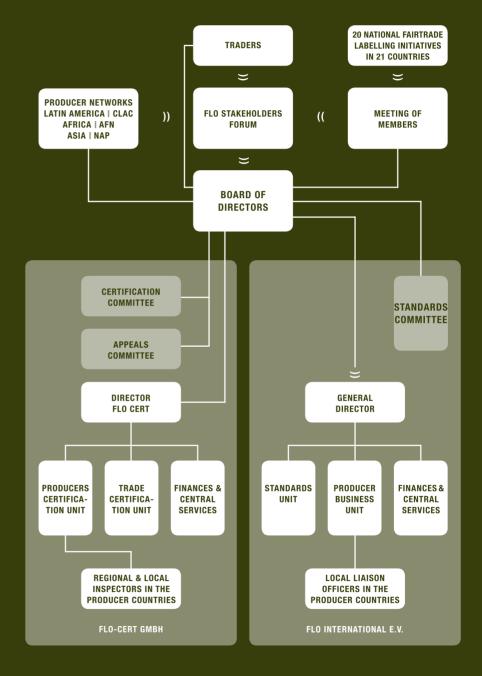
FLO is the worldwide standard setting and certification body for labelled Fair-trade. It regularly inspects and certifies producer organizations in more than 50 countries in Africa, Asia and Latin America, encompassing approximately one million families of farmers and workers.

### FLO IS MADE UP OF TWO ORGANIZATIONS:

FLO INTERNATIONAL E.V. IS A PUBLICLY RECOGNIZED NON-PROFIT MULTI-STAKEHOLDER ASSOCIATION INVOLVING FLO'S 20 MEMBER ORGANIZATIONS (OR NATIONAL INITIATIVES), PRODUCER ORGANIZATIONS, TRADER AND EXTERNAL EXPERTS. IT DEVELOPS AND REVIEWS STANDARDS, AND ASSISTS PRODUCERS IN GAINING AND MAINTAINING CERTIFICATION IN ORDER TO CAPITALIZE ON MARKET OPPORTUNITIES.

FLO-CERT GMBH IS A LIMITED COMPANY, WHOLLY OWNED BY FLO E.V., THAT COORDINATES ALL TASKS AND PROCESSES ALL INFORMATION RELATED TO THE INSPECTION AND CERTIFICATION OF PRODUCERS AND OF TRADE. OPERATING INDEPENDENTLY FROM ANY OTHER INTERESTS, IT FOLLOWS THE INTERNATIONAL ISO STANDARD FOR CERTIFICATION BODIES (ISO 65).

For historical reasons, Fairtrade Labelling schemes have been operating under different names (such as Max Havelaar, TransFair and Fairtrade Mark) and different Certification Marks for many years. In 2003, the same Fairtrade label was adopted by all FLO National Initiatives (expect Switzerland, the United States and Canada), and in many countries "Fairtrade" is already complementing or even replacing the initial national name of the Fairtrade label. In Austria, for example, the name of the organisation was changed from Transfair Austria to FAIRTRADE Austria. Other National Initiatives are planning in the same direction.



# THE GOLD STANDARDS







"GUARANTEES A BETTER DEAL FOR THIRD WORLD PRODUCERS" the Fairtrade Certification Mark claims. But what a Mark stands for is directly dependent on its standards, the immovable criteria that inspectors have to verify among producers and traders before taking any certification decision. In the past year, especially for workers on plantations and in factories, FLO has been looking very critically at whether its standards really make good on Fairtrade's claim of bringing empowerment and sustainable development to them. This led to a complete revision of the so-called "hired labour standard".

FLO organized a very extensive consultation process, involving stakeholders: workers, trade unions, management of plantations, external experts, inspectors, certification staff etc. in order to identify the possible improvements and the necessary changes. The new Standards were finally approved by the Standards Committee in November 2005 and entered into force on the 1st of January 2006.

What are the main improvements? There are two: on the one hand, the new Standards will strengthen the role of the JOINT BODY\* and workers rights and, on the other hand, the use of the FAIRTRADE PREMIUM\*\* will be more transparent.

The new Standards require that management provide a better framework for the workers to be able to organize themselves in the Joint body. For example, it has to provide a space and resources for holding the meetings during work time. Also, the new Standards reinforce that workers can collectively bargain and negotiate via Trade Unions or directly with the management about their working conditions.

"BEFORE, MANAGEMENT WAS SOMETIMES BEING ABLE TO INTERFERE IN THE DECISIONS TAK-EN BY THE JOINT BODY. WITH THE NEW STANDARDS THIS CAN NOT HAPPEN ANYMORE" SAYS ANDREAS KRATZ. DIRECTOR OF THE STANDARDS UNIT.

With the new Standards on Hired Labour Situations, the Joint Body is now accountable to all workers, including temporary workers. Accountability means that workers will know exactly how Fairtrade Premium money is being spent and how much money is allocated to each project. That is particularly important in the cases of High Premium situations, like in flower or banana plantations. "Now the Joint Body must be auditable, there must be a finance management behind. This will improve the transparency tremendously", explains Andreas Kratz.

<sup>\*</sup> BODY THAT DECIDES HOW THE FAIRTRADE PREMIUM WILL BE SPENT. IT IS MADE UP OF WORKERS AND MANAGEMENT BUT WITH A MAJORITY OF WORKERS.

<sup>\*\*</sup> EXTRA PAYMENT ON TOP OF THE MINIMUM PRICE. IT HAS TO BE SPENT ON COMMUNITY PROJECTS.

### A NEW PRICE FOR FAIRTRADE BANANAS

Very related to the aim of improving the transparency of the use of the Premium was the revision of the Fairtrade Minimum Price for bananas which was carried out last year. After months of consultation and studies of cost of production, the Minimum Price for Bananas was increased and the Fairtrade Premium per box of bananas was decreased. The new price entered into force on January 1st 2006. "The OLD SYSTEM GENERATED MANY SITUATIONS OF CONFUSION ON THE USE OF THE PREMIUM. NOW IT IS MUCH CLEARER HOW MUCH THE PRODUCERS GET FOR THEIR PRODUCT AND HOW THE PREMIUM IS TO BE SPENT ON PROJECTS AT THE COMMUNITY LEVEL", EXPLAINS ANDREAS.

### **REVISION OF SPORT BALLS STANDARDS**

As part of the revision of the Fairtrade Standards, FLO also looked in detail at a product, which is the centre of attention of many people in the summer of 2006. The FIFA Football World Championship stirs the passion of millions of people around the world who, for a period of four weeks, only eye the soccer ball. In the background, there are thousands of stitchers in developing countries producing

the balls with Pakistan being the largest producer. The use of child labor and unfair labor practice in this sporting goods industry has been addressed in campaigns of many NGOs and in the media over the past decade. In order to support these campaigns, FLO in 2002 started certifying those factories which ensure safe and good work condition. After some years of experience, in 2005 FLO revised the Standards for Sport Balls in order to address specific problems, specially related to the use of subcontracted stitching centres where many women work. The new standards entered into force the 1st of January 2006.

Aysha Saijuddin, FLO Liaison Officer in Pakistan, knows the working reality of this industry well and was a key advisor in the revision of the new Standards for Sport Balls. "There are a lot of women working in subcontracted Stitching centres because, due to religious and cultural reasons, they are not allowed to work in the same factories as the men. As they were working as subcontractors, they were not part of the Joint Body of the Fairtrade certified factories and therefore were not benefiting from Fairtrade" says Aysha. "WITH THE NAV STANDARDS THIS HAS CHANGED. THE WORKERS IN THE SUBCONTRACTED STITCHING CENTRES NEED TO BE REPRESENTED IN THE JOINT BODY OF THE MAIN FACTORY OR TO HAVE THEIR UWN JOINT BODY. THEY ARE NOW STARTING TO SEE THE BELLE ATS OF FAIRTRADE". AYSHA ADDS.

# FLO-CERT: DELIVERING TRUST

comes to the minds of consumers when seeing the cheering person, representing the producers and consumers, on the blue and green background of the FAIRTRADE Certification Mark. But who is behind this credibility? Who ensures that each of the products awarded with the Certification Mark deliver what it promises? The body responsible for ensuring this independence is FLO Certification GmbH, the International Certification Body which certifies producers and trade against the International Fairtrade Standards set by FLO e.V. FLO Cert works with 50 inspectors based in the producer countries. They regularly visit the producer organizations to check if they are complying with the Fairtrade Standards. FLO-Cert also has a Trade Certification Unit, which is responsible for certifying all trade in products coming from certified producers. It will ask questions like: Were the Fairtrade price and Premium paid? Is the Fairtrade product not being mixed with products from other producers? Were all products sold as Fairtrade also bought as Fairtrade?

Until three years ago, Fairtrade Certification was a unit within FLO International e.V. In September 2003, it became a limited company. "The main reason for the foundation of FLO-Cert was to make Fairtrade certification and

trade auditing operations absolutely transparent and independent. Establishing FLO-Cert enhanced the autonomy of its producer certification and trader registration decisions, and facilitated compliance with the ISO Standards for Certification Bodies (ISO 65), which we are about to obtain in the coming months" says Rüdiger Meyer, FLO-Cert Director.

The growth has been impressive over the last years. The number of certified producer organizations has grown by 127% from 2001 to 2005 and the number of registered traders has grown by 132% during the same period. FLO-Cert has been making major investments to satisfy the demand of all players in the supply chain: producers, exporters, importers while continuing to ensure the maximum guarantee for consumers.

### 2005: A YEAR OF GROWTH FOR PRODUCER CERTIFICATION

2005 has been an especially busy year for the Producer Certification Unit of FLO-Cert, as over 400 new producer organizations applied for initial Fairtrade Certification. To face the huge demand FLO-Cert opened new local coordination offices in South Africa, India and Kenya, hired and trained 21 new













inspectors and sub-contracted two local inspection bodies. Besides this, the FLO-Cert system integrated the Max Havelaar Switzerland Flower Certification, encompassing a total of 30 flower farms.

To make all involved acquainted with FLO's flower standards and certification, a flower inspection training was organized in Nairobi, Kenya, from the 19th to the 24th of September 2005. The participants were experienced inspectors from Colombia, Zimbabwe, Kenya, Tanzania, Ethiopia and South Africa as well as FLO-Cert staff representing Africa, Asia and Latin America. "The introduction of Fairtrade-labelled flowers is being welcomed with enthusiasm by consumers, judging from the high sales volumes right from the start", explains Frank Brinkschneider, Director of producer Certification. "Thanks to the training, we now have a well trained base of inspectors who can act as lead inspectors and train new inspectors in the field."

#### CERTIFICATION INSPECTIONS NOW ALSO FOR TRADERS

2005 was a year of changes for Trade Certification Unit, in particular because of the introduction of trade certification inspections of Exporters and Importers. Before, traders used to hire accountants to do an audit of the Fairtrade flow of goods reports. Henceforth, FLO-Cert will be doing on-site inspections as well. In 2005, a total 19 such inspections were carried out. "FLO-Cert inspections have resulted in significant improvements in trader compliance. Especially misunderstandings of what needs to be done in Fairtrade have been clarified",

explains John Young, Director of Trade Certification. 14 European inspectors were hired and trained to perform trade inspections and four European inspection bodies were sub-contracted. "Currently Producer Certification inspectors are being trained to go through the Trade Certification inspection checklist during producer inspections" explains John Young. "For 2006 we plan to carry about 180 trade certification inspections", he adds.

MEANWHILE, THE NUMBER OF NEW TRADER APPLICATIONS CONTINUED TO GROW: 273 WERE RECEIVED LAST YEAR, AND TRADE CERTIFICATION SUCCESSFULLY INTEGRATED ABOUT 100 FRENCH AND 25 SPANISH LICENSEES INTO THE FLO CERTIFICATION SYSTEM.

"All these investments have dramatically improved the quality of FLO-Cert Inspection and Certification", explains Rüdiger Meyer. "Last year, inspections detected far more non compliance with Fairtrade Minimum Standards in both producer and trade certification than expected. In total, 261 certified operators were found to be in breach of Fairtrade Minimum Standards. But due to an improved compliance management 248 out of the 261 non-compliant operators could rectify and remained certified. This is a huge success because ultimately FLO-Cert's aim is not to decertify, but to enable producers and traders to address compliance weaknesses and resolve them", adds Rüdiger Meyer.

With all this effort, consumers can be sure that the Fairtrade Certification Mark will continue to represent the trust, credibility, integrity... they are looking for when purchasing their favorite products.

# **CLOSER TO THE PRODUCERS**

There are many questions that producers hoping to find Fairtrade business partners ask themselves. What can Fairtrade do for me? Can I start to export directly? Would I sell more if I were able to become organic-certified? How do I know what's required of me if I sell under Fairtrade conditions? Given the geographical distance from their main selling markets and given that communication to various parts of the world is still haphazard, it is often hard for producers to get the right sort of answers – or indeed, any answers at all. Even finding out about local legislation can be difficult; how do I get an export licence? How do I fill out the paperwork for shipment?

The Producer Business Unit (PBU) at FLO was set up in 2005 to help producers in getting the answers they are looking for, and to make sure that all Fairtrade-certified producer organizations have someone knowledgeable they can talk to if they need advice. The Unit brought together the previous Product Managers and Producer Support structures within FLO, and now numbers 10 people in Bonn and a growing number of locally-based liaison officers.

#### LIAISON OFFICERS: SUPPORT ON THE GROUND

The PBU's work is made possible by the presence of Liaison Officers based in the producer countries. These key support workers have the primary task of working advising producer organizations on any Fairtrade issues or opportunities. They also connect producers with local experts in areas like production logistics, quality control, financial management, organizational strengthening, strategic investment, etc.

"WE HAVE RECEIVED IMPORTANT TECHNICAL ATTENDANCE AND ASSISTANCE FROM THE SOWING OF THE SEED TO THE HARVEST OF THE FRUIT. THIS ENABLED US TO PRODUCE FRUIT AT HIGH-OUAL-ITY STANDARDS THAT WE CAN SUPPLY TO VERY DEMANDING CONSUMERS" EXPLAINS DONALD CAMPOS. A PRODUCER FROM ASOPROAGROIN, a Fairtrade certified pineapple cooperative in Costa Rica, when asked about the advantages of counting on the support of a FLO liaison officer. As it is obvious that certification is only the first step to bringing disadvantaged producers to Fairtrade markets, lot of effort is going into increasing the number of liaison officers supporting producers. At the beginning of 2005 there were only 8, by the end of the year the number had increased to 12. And thanks to the recent establishment of a partnership with SNV, a major international development organisation based in the Netherlands, this number will rise again. With SNV's support, an additional 9 to 12 liaison officers are being employed for at least two years. It is expected that 370 producer organisations, representing 600.000 families, will benefit from the cooperation between SNV and FLO.

Apart from providing direct support to producer groups, liaison officers also liaise with external support agencies in their countries and act as Fairtrade representatives in local workshops and conferences. The work of Beat Grueninger, FLO liaison officer in Brazil, is a good example of what has been achieved by cooperating with others: "When I first started working as a liaison officer in Brazil I realized that the first problem I had to solve was to cover all the producer organizations. something very difficult in a country that has continental dimensions" says Beat. In 2005, he put all his energy into setting up a network of support for producers together with regionally active organisations. "NOW WHEN ORGANIZATIONS IN THE FOREST ZONE OF MINAS GERAIS STATE OR IN THE NORTHEAST APPLY FOR FAIRTRADE CERTIFICATION THEY GET IMMEDIATE SUPPORT FROM FLO OR FROM A PARTNER ORGANISATION LIKE GTZ, CIM, DED OR SEBRAE, THE NATIONAL SMALL ENTERPRISE SUPPORT NETWORK" EXPLAINS BEAT.

Small-scale producers in Africa, Asia and Latin-America have to overcome many difficulties, and Fairtrade can only solve some of them. But with the development of the liaison structure, Fairtrade is acquiring a face in more and more producer countries that sis closer and more available to producers, as a tool to improve their situation.

IN ORDER TO OPERATE ON THE PRODUCER ORGANISATIONS, ESPECIALLY IN THE START-UP PHASE, IT IS ESSENTIAL TO RECEIVE SUPPORT IN THE FORM OF Alarson officers' structure." Robin Roth II director producer business unit PRINCIPAL ROLE OF THE COUNTRIES CURRENTLY COVERED BY LIAIS ON OFFICERS II LATIN AMERICA MEXICO + EL SALVADOR + HONDURAS + NICARAGUA + COSTA RICA + ECUADOR + PERU + BOLIVIA + BRAZIL + DOMINICAN REP. + HAITI + CUBA + GUATEM + PARAGUAY + WINDWARD ISL. AFRICA KENYA + TANZANIA + UGANDA + RWANDA + ETHIOPIA + BURKINA FASO + MALI + CAMEROON + GHANA + SENEGAL + IVORY COAST + S. AFRICA + SUD \*ZIMBABWE + BENIN + TOGO + NIGERIA + SIERRA LEONE ASIA PAKISTAN + INDIA + BHUTAN + NEPAL + VIETNAM + THAILAND + CAMBODIA + SRI LANKA + LAOS





# CONSUMERS II RETAILERS TRADERS II PRODUCERS

66 OUR CONSUMER SPENDING CHOICES AFFECT PEOPLE'S LIVES AROUND THE WORLD. THE PRODUCTS WE ENJOY ARE OFTEN MADE IN CONDITIONS THAT HARM WORKERS. COMMUNITIES AND THE

ENVIRONMENT. THAT IS WHY WE ARE DEMANDING HUMAN SENSITIVE PRODUCTS. I TRUST THE FAIRTRADE CERTIFICATION MARK GUARANTEES THIS SENSITIVITY. " OLIVER PLATA FRANCO II

**FAIRTRADE CONSUMER II GERMANY** 

# QUEUING UP FOR FAIRTRADE

JUST LIKE EVERY SATURDAY MORNING, OLIVER GOES TO THE SUPERMARKET TO DO HIS SHOPPING FOR THE COMING WEEK. Oliver is a conscious consumer and looks for socially responsible products. In recent years, the selection has increased dramatically. There's not only coffee, chocolate and bananas, but also dozens of new product lines, from jams and marmalades, through herbal teas and spices, to flowers, socks and T-shirts. But as more companies claim that their products are "socially responsible", with more advertising campaigns and labels, consumers are lured in all sorts of directions. But Oliver cannot be confused. He walks past the shelves looking for the Fairtrade Certification Mark.

Attracted by Fairtrade's success with consumers, more companies are knocking on the door of the labelling organizations. They want to have the Certification Mark on their products. One of the more recent ones to join is Marks and Spencer, one of the largest food and cloth retailers in the UK. The entire range of Marks & Spencer's coffee and tea, totalling 38 lines, switched to Fairtrade in a move which is estimated will increase the value of all Fairtrade instant and ground coffee sold in the UK supermarkets by 18%, and increase the value of Fairtrade tea by approximately 30%. But Marks and Spencer is only one out of hundreds of companies that have become involved in Fairtrade in 2005. From 2004 to 2005, the number of

licensees offering Fairtrade Certified products increased by 29% (see table).

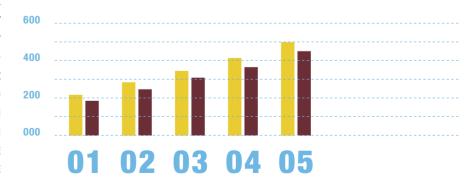
What makes the Fairtrade Mark so successful? The answer: trust. The certification system behind the cheering person in the Certification Mark is absolutely independent from any biased interest. "Our only reference is the Fairtrade Standards. Our operators, producers and traders, have to meet them to remain in the system. It is the best guarantee we can offer to consumers", explains Rüdiger Meyer, FLO-Cert Director.

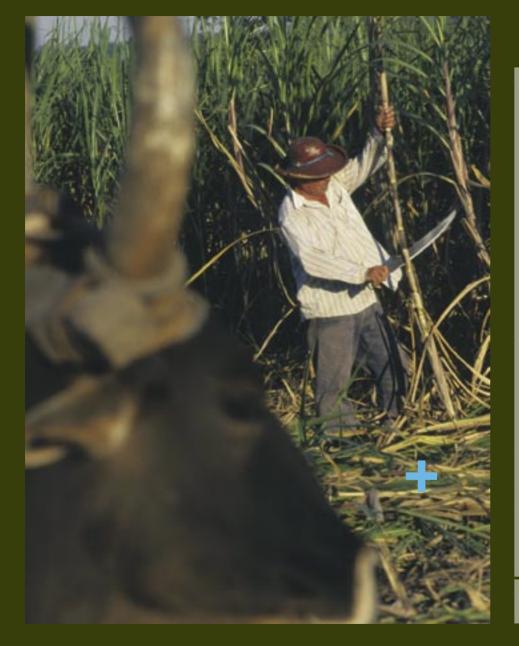
This independence and high control also means that achieving FLO Certification is not always easy. Flower Panda, a flower farm in Kenya, is a case in point. Panda was first inspected by FLO in April 2005 but did not meet the minimum requirements to become certified. The farm applied for a new inspection in June but again, in spite of the improvement, did not meet the requirements. Yet Panda did not give up. Three months later, in September 2005, the improvements were amazing. In only five months Panda was able to correct its deficiencies and fully comply with Fairtrade Standards. It was worth the trouble. "I FEEL THAT HAVING ACHIEVED FAIRTRADE CERTIFICATION. WE EARNED SOMETHING, AND I KNOW THAT ANY OTHER FARM CERTIFIED IN THIS MANNER DESERVES THE MARK. I HOPE FLO WILL ALWAYS KEEP THESE HIGH STANDARDS, FAILING TO DO SO WOULD DIMINISH THE WHOLE CONCEPT OF THE FAIRTRADE MARK" EXPLAINS IGAL ELFEZOUATY, MANAGER OF PANDA FLOWERS. Fairtrade Certified flowers from Panda are now in sale in the UK supermarket.

Like Panda, more and more producers and traders are willing to achieve Fairtrade Certification, no matter the effort it requires. The numbers speak for themselves. Between 2001 and 2005 the number of Fairtrade Certified Producers has experienced a growth of 127% and registered traders 132%.

Thousands of consumers like Ilaria have already made their choice. And many others will soon follow... and as the number of consumers grows, producers, traders and retailers will be queuing up for Fairtrade...

2001 - 2005 PRODUCERS EVOLUTION II TRADERS EVOLUTION





COUNTRY	2004	2005	IN %
AUSTRIA	31	37	19
BELGIUM	38	50	31
CANADA	124	160	29
DENMARK	10	21	110
FINLAND	16	20	25
FRANCE	72	106	47
GERMANY	66	87	32
IRELAND	12	22	83
ITALY	45	45	
JAPAN	13	24	84
LUXEMBURG	19	19	
NETHERLANDS	36	41	14
NORWAY	19	24	26
SWEDEN	12	24	100
SWITZERLAND	32	42	31
UK	157	193	23
USA	435	534	23
AUSTRALIA AND NEW ZEALAND	26	56	115
TOTAL	1151	1483	29



**EVOLUTION OF THE NUMBER OF LICENSEES BY COUNTRY** 

### + + HIGHLIGHTS + + OF THE YEAR 2005

HERE WE FEATURE SOME OF THE ACHIEVEMENTS FLO, ITS MEMBER ORGANIZATIONS AND ALL ITS STAKEHOLDERS HAVE ACHIEVED IN 2005: JANUARY + TRANSFAIR USA WINS FAST COMPANY AWARD + FLO-CERT STARTS TRADE CERTIFICATION INSPECTIONS FOR EXPORTERS AND IMPORTERS + MAX HAVELAAR NETHERLANDS LAUNCHES FAIRTRADE ORANGES AND GRAPES FEBRUARY + FLO PARTICIPATES WITH A STAND AT BIOFACH IN NUREMBERG, GERMANY MARCH + FAIRTRADE FORTNIGHT IN THE UK + TRANSFAIR LUXEMBURG LAUNCHES FAIRTRADE MANGOES, ORANGES AND PINEAPPLES + COOP. ONE OF THE BIGGEST RETAILERS IN SWITZERLAND SWITCHED TO 100% MAX HAVELAAR-CERTIFIED ROSES APRIL + MAX HAVELAAR FRANCE, BELGIUM AND SWITZERLAND LAUNCH FAIRTRADE CERTIFIED COTTON + MAX HAVELAAR SWITZERLAND LAUNCHES FAIRTRADE CERTIFIED AVO-CADOES + MAX HAVELAAR NETHERLANDS LAUNCHES FAIRTRADE PINEAPPLE MAY + FAIR TRADE FORTNIGHT IN AUSTRALIA AND NEW ZEALAND + FAIRTRADE FORTNIGHT IN FRANCE + TRANSFAIR GERMANY LAUNCHES FAIRTRADE WINE + NATIONAL FAIR TRADE WEEKS IN CANADA + CREATION OF AFRICAN FAIRTRADE NETWORK (AFN) JUNE + CENTRAL FLO-CERT INSPECTORS TRAINING IN BONN + APROMALPI. FAIRTRADE CERTIFIED PRODUCER COOPERATIVE IN PERU, RECOGNIZED WITH THE PRESTIGIOUS 'ENGINEER ALVARO QUIJANDRÍA SALMON' AWARD + ALL 457 SIWA-STORES IN FINLAND SELL EXCLUSIVELY FAIRTRADE BANANAS DURING THE SUMMER (FROM JUNE TO AUGUST) + FLO LAUNCHES THE PRODUCER CERTIFICATION FUND TO HELP PRODUCERS TO PAY CERTIFICATION FEES JULY + MAX HAVELAAR NETHERLANDS LAUNCHES FAIRTRADE WINE + FAIRTRADE LABELLING AUSTRALIA & NEW ZEALAND BECOME A FLO MEMBER AUGUST+ FAIR TRADE FAIR IN BERN, MAX HAVELAAR SWIZERLAND ACTS AS ONE OF THE PATRONS SEPTEMBER + TRANSFAIR GERMANY, TRANSFAIR CANADA AND MAX HAVELAAR BELGIUM LAUNCH FAIRTRADE CERTIFIED FLOWERS 🛨 FAIRTRADE WEEK IN GERMANY WITH OVER 1000 PUBLIC EVENTS 🛨 FLO FLOWER INSPECTION TRAINING IN NAIROBI, KENYA + THE UK FAIRTRADE MARK AWARDED "SUPERBRAND" STATUS OCTOBER + FLO MOVES TO A NEW BUILDING + LAUNCH OF LA ASOCIACIÓN DEL SELLO DE COMERCIO JUSTO IN SPAIN + FAIR TRADE MONTH IN THE USA + FAIR TRADE WEEK IN ITALY NOVEMBER + FLO AND IFAT SIGN AN AGREEMENT TO CREATE A QUALITY MANAGEMENT SYSTEM + HARRIET LAMB, EXECUTIVE DIRECTOR OF THE FAIRTRADE FOUNDATION AWARDED COMMANDER OF THE ORDER OF THE BRITISH EMPIRE (CBE) + FLO PAR-TICIPATES WITH A STAND AT BIOFACH LATIN AMERICA IN BIO DE JANEIRO DECEMBER + FLO AND SNY SIGN A CONTRACT OF PARTNERSHIP ++ 2006 ...



#### **ACHIEVEMENTS**

Starting at this small scale, in only six years the cooperative has achieved a lot. Soon after its foundation, Heiveld showed the first positive results. Women started to farm small fields and receive their own income. A group of women also founded an initiative to sew small cotton sacks of tea to be sold in the South African and European markets. And for the first time farmers and their family members assumed managerial tasks and got trained in accounting, electronic data processing and other areas. Things were going well but Heiveld wanted to achieve better access to the international fair trade market. The question was how? Fairtrade certification was the answer. The members of the cooperative participated in a consultation about whether it would be beneficial to enter the FLO system and the outcome was very positive. "When FLO placed Rooibos STANDARDS on the FAIRTRADE register in 2003, we immediately applied for registration and certification" explains Hendrik Hesselman, the Chairperson of the Co-operative. A couple of months later, they were FLO certified.

The economic impact of Fairtrade marketing has been very significant. By selling Rooibos tea to Fairtrade importers, the income of the farmers' families tripled from circa one Euro per kg to currently around three Euros. In 2005, the cooperative received 5,80 Euro plus a Faitrade Premium of 0,50 Euro per kg of processed tea in order to com-

pensate bad harvest due to meagreness. "There is a huge difference from when we sold to the large farmers. In the past the link between buyer and seller was missing – the buyer just gave whatever price they wanted, it wasn't related to our standard of living. Fairtrade changes this", explains Lionel Louw, Board Member of Heiveld Cooperative. Besides improving the farmers' standards of living, the main goal from the beginning was to make the smallholders independent from wholesalers and white neighbouring farmers. Due to the Fairtrade Premium this became possible. They were able to buy their own equipment for the tea production, such as their own tea chopping machine, and subsequently didn't have to use the facilities of other farms any longer.

The last step was the construction of the cooperative's own tea-court, a primary processing facility where raw green tea is finely chopped, fermented and subsequently dried. "In the first five seasons following its formation, the cooperative rented a tea court from a large-scale commercial farmer. However, access to the tea court was insecure, and the owner made it clear that it was a shortterm arrangement which he would terminate in the future. In 2005, he made it clear that his tea court would no longer be available for use by the Heiveld" explains Barry Koopman, the Tea Maker and Treasurer of Heiveld. But Heiveld was prepared for this. The cooperative had planned the project of a tea-court a long time in advance: they had savings from the Premium income and secured a piece of land from one of its members that was suitable for the tea court. The first construction phase was completed in January 2006, shortly before the start of the harvest season. "Having its own tea court has freed Heiveld from dependency, and has enabled the organisation to start creating the sort of infrastructure that it needs to maintain the high standards that we have established for our product. It has also contributed to the pride that members feel in the organisation" says Barry.

Long-term planning is a fundamental part of Heiveld's strategy. For the time from 2006 to 2008 they have already decided how they will invest the Fairtrade Premium they earn. The objective is to strengthen their business and become more competitive. "We are going to complete the second phase of construction of the tea court, including the installation of water storage tanks, building a store/office building, and purchase a second tea chopping machine. We have also developed a scheme to help members who experienced especially bad harvests during the 2003 – 2006 droughts as well as a training programme for members in sustainable production of Rooibos" explains Lionel enthusiastically.

Taking into account Heiveld's success and the cooperative's future plans, it is not surprising that the number of applications for membership is growing very fast. With its high quality product, strong management and modernization the future in dry Cedarberg looks fertile for Heiveld.



### FAIRTRADE MAKES LIFE SWEETER FOR HONEY PRODUCERS COOPERATIVE

COASBA || CHILE

SITTING IN THEIR ONE-STOREY WOODEN OFFICE in a corner of the plaza of the quiet market town of Santa Bárbara in southern Chile, Joel Uribe and Luis Villaroel talk about their beekeepers' cooperative, COASBA – the Cooperativa de Apicultores de Santa Barbara – with quiet pride. It was Joel, an engineer by training, who founded the association in 1994 and built it up from next to nothing, using his home as an office and working unpaid to get COASBA on its feet. More recently, Luis took over from Joel as president.

Early on, COASBA's members - families who kept bees and produced honey on a small scale – were all part-timers. Very few owned any land, so most had to rent a parcela (small plot) for their hives. None could earn a decent livelihood as honey producers. Today most of COASBA's 35 members, including two women, practise beekeeping full time. Honey and bee serum are their main sources of income. After years of effort invested in developing their skills and processes, Joel and Luis claim the taste, cleanliness and nutritious quality of their honey are among the best in the country. They feel they are raising standards in their industry for the whole of Chile's BioBío region.

COASBA has come a long way. At first, coop members were often in debt to local moneylenders. They had to use the cheapest low-quality bulk containers to transport the honey. There was little time to spend on pest and disease control, or to think of strategies to market the product and secure sales. That was before COASBA heard about Fairtrade.

#### **HOW FAIRTRADE HELPED THE COOP**

Introduced to Fairtrade by a Chilean church-based development organisation supported by the European Union, COASBA's honey has been Fairtrade certified for the past five years. The most obvious benefit, for Joel and Luis, is

that Fairtrade means better incomes. Coop members get 20 per cent more for their honey than when they sell through other channels. All COASBA members — who between them now keep several thousand beehives, producing roughly 130 tonnes of honey a year — allocate some of their produce to be stored in bulk in modern stainless steel drums and sold to Apicoop, a large Fairtrade exporter cooperative which exports the honey to Fairtrade importers in several European countries.

When asked which impact Fairtrade has on their business they both agreed and said: "We could have never further developed COASBA without Fairtrade. Now we have a regular income and the raised earnings mean we can plan and invest in our business. We are able to improve production processes and standards, and have even created several new jobs in our community, like for Maria-José Cordoba, a young woman who runs our small office in the plaza."

Job creation is particularly important in a region where rural poverty is wide-spread. The younger generation can now see a future in beekeeping and in running a coop, rather than joining the exodus of young rural unemployed to the bigger towns and cities. On top of that, beekeeping is seen as an essential ecological activity and Luis and Joel are determined to help protect the diverse native flora of the beautiful BioBío river valley.

With the help of Fairtrade coop households have raised their standard of living. Many have bought their own plot of land and improved their homes. Some of their children are among the first from this rural community to go to university. The coop has earned a reputation for paying off its debts promptly and won respect from such bodies as the Agriculture Ministry's Institute for Agriculture and Livestock Development.





## THAI RICE FARMERS GAINING INDEPENDENCY

RICE FUND SURIN IS A SMALL RICE COOPERATIVE IN THE NORTH-EASTERN PART OF THAILAND, home of the best Hom Mali Rice in the country. Until last year, the cooperative used to be part of Greennet, Thailand's biggest organic and Fairtrade cooperative.

At the beginning of 2005, Rice Fund Surin decided to take a big step forward and to become independent from Greennet, an enormous challenge for a cooperative with only 45 members. The cooperative applied for Fairtrade Certification, which they received in August 2005 and provided them with a direct access to the international market. The cooperative's Fairtrade certified rice can now be found in supermarkets in several countries in Western Europe and in the USA and growing sales figures are not only reflecting the success of the Fairtrade certification for the Rice Fund Surin, but also suggest a bright future for the cooperative and set the course for expansion: "We are now working to get the food safety certification as well as finding more importers for our rice" explains Ms. Sompoi Chansaeng, Manager of the cooperative.

### FAIRTRADE ENABLES LONG-TERM STABILITY THROUGH DIVERSIFICATION

Rice Fund Surin has been using the Fairtrade Premium to support new members and also those who wish to switch to organic farming. "As an organic

farmer my life has improved dramatically: The quality of my land and of my rice is much better and my family enjoys better health" one of Surin's members points out. Moreover, the money from the Fairtrade Premium is used to support various educational, cultural and environmental projects in the area, such as planting trees in the community forest. During weekends, children help out in the planting and learn about environmental issues and how to care for the environment. The forest in turn benefits the community by providing, for example, wood and fruit.

Another big achievement of the Rice Fund Surin cooperative was to reduce its dependency on rice as the only crop. The cooperative is using the Fairtrade Premium to create a fund for its members to buy seeds in order to allow the cooperative to grow other crops besides rice. By doing so, the cooperative can diversify its income during the year and no longer depends on the harvest of one crop, creating more security and stability for the cooperative.

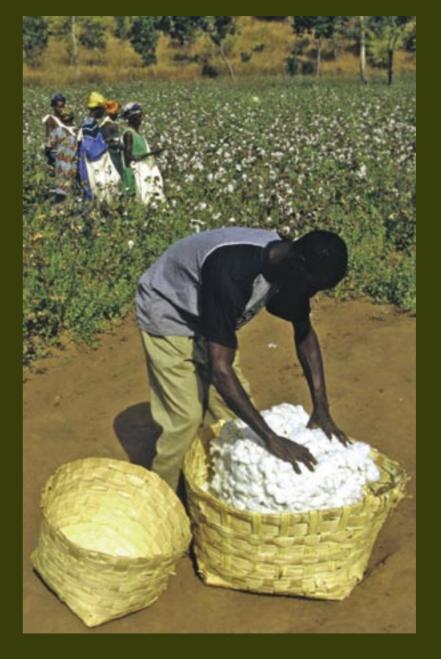
The experience of Kanya Osori, a 36 year-old member of the Surin Rice Fund, shows the impact the diversification has on farmers' lives. Kanya has around 7.2 acres of land and she was able to sell around 5 tonnes of paddy at 10 baht last year which amounted to a rice income of 440 euros net. "This was



INCOME	2005	BUDGET 2005	2004
MEMBERSHIP CONTRIBUTIONS	1.333.982	1.239.215	890.245
EXTERNAL GRANTS FOR SPECIFIC PROJECTS	653.218	839.666	864.616
INTEREST EARNINGS & OTHER INCOME	1.546		1.263
	1.988.745	2.078.881	1.756.124
EXPENDITURES			
GOVERNANCE FLO INTERNATIONAL E. V.	251.963	281.036	360.178
FINANCE & CENTRAL SERVICE UNIT	530.004	473.395	447.314
STANDARDS UNIT	346.760	267.343	152.494
PRODUCER BUSINESS UNIT	622.981	611.107	528.220
REGIONAL LIAISON	185.809	446.000	65.922
CERTIFICATION PROJECT	63.334		
SASA PROJECT			190.501
	2.000.851	2.078.881	1.744.629
BALANCE CARRIED FORWARD	-12.105		11.495



THE SUMMARIZED ANNUAL ACCOUNTS HAVE BEEN PRODUCED ON THE BASIS OF INTERNAL DOCUMENTATION AND INTERNAL ACCOUNTANCY FOLLOWING GENERAL ACCEPTED ACCOUNTING PRINCIPLES TAKING INTO ACCOUNT GERMAN TAX LAW (KSTG) AND COMMERCIAL LAW (HGB). FOR MORE INFORMATION, PLEASE CONTACT THE FINANCES & CENTRAL SERVICES UNIT AT FLO INTERNATIONAL E.V.



### SUMMARIZED ACCOUNTS FLO INTERNATIONAL E.V.

ASSETS	12   31   2005	12   31   2004	LIABILITIES	12   31   2005	12   31   2004
FIXED ASSETS	71.833	63.035	EQUITY CAPITAL	154.490	361.845
INTANGIBLE ASSETS	6.667	9.023	SEED CAPITAL	36.740	48.845
TANGIBLE ASSETS	36.640	25.487	DEFERRED INCOME	117.750	313.000
FINANCIAL ASSETS	28.525	28.525			
LIQUID ASSETS	520.405	606.862	LIABILITIES	437.748	308.052
OUTSTANDING ACCOUNTS FOR SERVICES	236.454	153.513	PROVISIONS	83.400	62.054
OTHER ASSETS	99.490	228.421	LIABILITIES TO BANKS	15.886	
LIQUID FUNDS	184.460	224.927	LIABILITIES FOR SUPPLIES AND SERVICES	190.724	103.236
			OTHER LIABILITIES, ACCRUALS AND DEFERRALS	147.738	142.762
TOTAL	592.237	669.897	TOTAL	592.237	669.89



### BALANCE SHEET FLO INTERNATIONAL E.V.

### ALL THE WORK DONE IN THE PAST COULD NOT HAVE BEEN CARRIED OUT WITHOUT OUR FINANCIAL SUPPORTERS. WE ARE VERY GRATEFUL TO:

NOVIB + EVANGELISCHER ENTWICKLUNGSDIENST || EED + SNV + MISEREOR + DEUTSCHE GESELLSCHAFT FÜR TECHNISCHE ZUSAMMENARBEIT || GTZ + FOOD AND AGRICULTURE ORGANISATION || FAO + FOUR ACRE TRUST + RUFFORD TRUST + DEPARTMENT FOR INTERNATIONAL DEVELOPMENT || DFID + COMIC RELIEF + FONDATION DES DROITS DE L'HOMME AU TRAVAIL || FDHT + HIVOS - COSTA RICA + INTERNATIONAL CHURCH DEVELOPMENT COOPERATION || ICCO + DEVELOPMENT COOPERATION INTERNATIONAL || DCI + CENTRUM FÜR INTERNATIONALE MIGRATION UND ENTWICKLUNG || CIM

FLO ALSO WANTS TO THANK THE INSPECTORS AND VOLUNTEERS ALL OVER THE WORLD FOR THEIR HIGHLY VALUED CONTRIBUTIONS. FINALLY, BUT NOT LEAST, FLO WANTS TO THANK ALL THE INTERNS WHO ASSISTED THE FLO STAFF DURING THE LAST YEAR.

### FLO'S BOARD OF DIRECTORS II JUNE 2006

BARBARA FIORITO II CHAIR OF THE BOARD + PAUL RICE II CEO TRANSFAIR USA + VICTOR FERREIRA II DIRECTOR MAX HAVELAAR FRANCE + VICTOR PEREZGROVAS II GENERAL MAGANER UNION MAJOMUT II MEXICO + IAN BRETMAN II DEPUTY DIRECTOR FAIRTRADE FOUNDATION + MIGUEL DE CLERK II DIRECTOR MAX HAVELAAR BELGIUM + JENS ERIK DALGAARD JENSEN II MAX HAVELAAR DENMARK + MR. GEETHAL PEIRIS II GENERAL MANAGER KOTAGALA PLANTATIONS LIMITED II SRI LANKA + JEAN-LOUIS HOMÉ II INDEPENDENT BOARD MEMBER + RAYMOND KIMARO II KILIMANJARO ATIVE COOPERATIVE UNION LTD + MR. GILMAR LAFORGA II DIRECTOR OF COAGROSOL II BRASIL + MR. LEO GHYSELS II OXFAM WERELDWINKELS II BELGIUM + MR. RICK PEYSER II GREEN MOUNTAIN COFFEE ROASTERS

### FOUNDERS OF FLO

FLO WAS FOUNDED IN 1997 BY THE 14 NATIONAL INITIATIVES WITH THE AIM TO WORK TOGETHER ON 1 || DEFINING INTERNATIONAL FAIRTRADE STANDARDS, 2 || CERTIFYING AND AUDITING PRODUCER ORGANIZATIONS AND TRADERS INVOLVED IN LABELLED FAIRTRADE AND 3 || PROVIDING SUPPORT TO PRODUCER ORGANIZATIONS THAT NEED EXTERNAL HELP.

### **CURRENT FLO STAFF II JUNE 2006**

FLO INTERNATIONAL E.V. CHRISTELLE AYGLON \* MARIAN BEAUJON \* MONIKA BERRESHEIM-KLEINKE \* GELKHA BUITRAGO \* GUILLERMO DENAUX \* ALFRED ELBERTSE \* CORNELIA HALM \* NADIA HOARAU-MWAURA + XAVIER HUCHET \* ROBERTUS VAN HOUT \* KARIMAH HUDDA \* DOROTHEE JUNG \* CHRISTINA KLEE WOLFF \* ANDREAS KRATZ \* MATTHIAS KUHLMANN \* TATIANA MATELUNA ESTAY \* MARTINA MECKEL \* ARISBE MENDOZA ESCALANTE \* KAREN NEMES \* ANDREAS NUEBEL \* NICOLE PETZ \* VERÓNICA PÉREZ SUEIRO \* CECILE PHILIPPART \* ROBIN ROTH \* ALEXANDER TOLEDO \* HA TRAN \* FRANK VIERHEILIG \* LUUK ZONNEVELD

FLO CERT GMBH EDUARDO BLUHM — VANESSA BAUMES \*\* FRANK BRINKSCHNEIDER \*\* FELIPE CARRERA \*\* LARA CHRISTOPHER \*\* ANNE MARIE EUZEN \*\* ADA GARCÍA \*\* STÉPHANIE GAYMARD \*\*
MAIKE HOEPKEN \*\* NATHALIE HOWARD \*\* ANTJE KACHEL \*\* CHRISTIAN KOEHN \*\* SILKE KOHLSCHMITT \*\* JUDITH KRIEGER \*\* PIETER LOUW \*\* CLAIRE MAGRAS \*\* EVI MATEBOER \*\* INES MAYORGABECK \*\* RÜDIGER MEYER \*\* LILIANA MORERA \*\* OSE NIELSEN \*\* ANDREA PÉREZ \*\* CRISTIANA REHO \*\* SIMONE ROTHE \*\* ROCIO SANZ \*\* PETER SUSBAUER \*\* TILL WILLE \*\* WENDY YEGON \*\* JOHN
YOUNG IN COSTA RICA VIVIAN ALAN \*\* URIEL BARRANTES \*\* ANA MARGARITA CUEVAS \*\* LUIS ANTONIO ABARCA IN INDIA DILIP K. CHANDY

EDITED BY VERÓNICA PÉREZ SUEIRO + SIMON HOLLER STATISTICS ON PRODUCER AND TRADERS MIYAKO TAKAHASHI + CLAIRE MAGRAS PROJOS. BY FAIRTRADE MEDIA II WWW.FAIRTRADE-MEDIA.DE + BEAU BUREAU KOMMUNIKATIONSDESIGN II COLOGNE II WWW.BEAU-BUREAU.DE PRINTED BY PRIMA PRINTII COLOGNE II WWW.PRIMAPRINT.DE

# WWW.FAIRTRADE.NET



FLO INTERNATIONAL E.V. BONNER TALWEG 177 || D-53129 BONN T +49.228.94 92 30 || F +49.228.24 21 713 INFO@FAIRTRADE.NET || WWW@FAIRTRADE.NET |
FLO-CERT GMBH BONNER TALWEG 177 || D-53129 BONN T +49.228.24 930 || F +49.228.24 93 120 INFO@FLO-CERT.NET || WWW@FLO-CERT.NET

FLO MEMBERS II FAIRTRADE AUSTRIA OFFICE@FAIRTRADE.AT II WWW.FAIRTRADE.AT MAX HAVELAAR BELGIUM INFO@MAXHAVELAAR.BE II WWW.MAXHAVELAAR.BE TRANSFAIR CANADA INFO@TRANSFAIR.CA II WWW.TRANSFAIR.CA MAX HAVELAAR DENMARK INFO@MAXHAVELAAR.DK II WWW.MAXHAVELAAR.DK MAX HAVELAAR FRANCE INFO@MAXHAVELAAR.RCE.ORG II WWW. MAXHAVELAAR.FRANCE.ORG TRANSFAIR GERMANY INFO@TRANSFAIR.ORG II WWW.TRANSFAIR.ORG FAIRTRADE FOUNDATION UK MAIL@FAIRTRADE.ORG.UK II WWW.FAIRTRADE.ORG.UK TRANSFAIR FAIRTRADE ITALY INFO@FAIRTRADE.IE JAPAN INFO@FAIRTRADE.JP.ORG TRANSFAIR MINKA LUXEMBURG INFO@TRANSFAIR.LU II WWW.TRANSFAIR.LU STICHTING MAX HAVELAAR NETHERLANDS VANDERIJKE@MAXHAVELAAR.NL II WWW. MAXHAVELAAR.NL MAX HAVELAAR NORWAY MAXHAVELAAR.ML II WWW.MAXHAVELAAR.NO REILUK KAUPPA EI TÜN KAUPAN EDISTÄMISYHDISTYS RY. FINLAND REILUKAUPPA@REILUKAUPPA.FI II WWW.REILUKAUPPA.FI RÄTTVISEMÄRKT SWEDEN INFO@RATTVISEMARKT.SE II WWW.RATTVISEMARKT.SE MAX HAVELAAR STIFTUNG SWITZERLAND POSTMASTER@MAXHAVELAAR.CH II WWW. MAXHAVELAAR.CH TRANSFAIR USA INFO@TRANSFAIRUSA.ORG II WWW.TRANSFAIRUSA.ORG FAIRTRADE LABELLING AUSTRALIA & NEW ZEALAND ADMIN@FTA.ORG.AU II WWW.FTA.ORG.AU II WWW.FTA.ORG.AU II WWW.FTA.ORG.NZ ASOCIACIÓN PARA EL SELLO DE COMERCIO JUSTO SPAIN INFO@SELLOCOMERCIOJUSTO.ORG II WWW.SELLOCOMERCIOJUSTO.ORG ASSOCIATE FLO MEMBER: COMERCIO JUSTO MEXICO INFO@COMERCIOJUSTO.ORG ASSOCIATE FLO MEMBER: COMERCIO JUSTO MEXICO INFO@COMERCIOJUSTO.COM.MX II WWW.COMERCIOJUSTO.COM.MX II WWW.COMERCIOJUST







# FAIRTRADE, A BUSINESS FOR DEVELOPMENT

