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Subject: Contribution to DG Trade's civil society dialogue meeting on: **"Fair Trade: State of Play"**

EFTA welcomes the opportunity presented by the Commission for civil society to give input on the discussion that took place at the ad-hoc meeting on "Fair Trade: State of play" on 3rd June, 2008.

First and foremost, we believe it is essential to clarify the topic under discussion. We feel there was a great discrepancy between the title of the meeting and the content of the discussion paper presented for the meeting. While the meeting was entitled "Fair-Trade: State of play", the discussion paper had the much broader scope of "consumer assurance schemes", which can refer to a number of different initiatives, from internet security to dolphin protection and Fair Trade. Given this meeting was aimed at seeking the views of civil society regarding the EP Development Committee's report on Fair Trade, we feel more focus should have been put on Fair Trade.

As the Opinion of the EESC on Ethical Trade and Assurance Schemes clearly points out, "there is a risk to all such schemes; if some overstate the impact/benefit or mislead the public there will be a loss of trust affecting all". We feel this is particularly true regarding Fair Trade and stress the need for clarity as Fair Trade is not easily comparable to other trading schemes.

Fair Trade is a pioneering movement, involving a great number and a broad scope of independent actors, from producers to specialised importers and retailers, which has been around for over half a century now. Due to its specificities and in order to clarify terms, we deem that a recommendation on Fair Trade, endorsing the internationally agreed Fair Trade standards and verification mechanisms, would be the most adequate tool.

The Commission's stance on Fair Trade should also take into account the role of Public Procurement. In its Resolution on Fair Trade and Development, the EP "calls on public authorities in Europe to integrate Fair Trade criteria into their public tenders and purchasing policies and asks the Commission to promote this by, for example, producing guidelines for Fair Trade public procurement".

Fair procurement is an excellent tool for public authorities to achieve sustainable development and the Millennium Development Goals and public authorities are increasingly interested in fair procurement as Fair Trade gives strong guarantees of social, environmental and economic sustainability.

The Commission should support this interest by clarifying current EC legislation on public procurement and producing guidelines on Fair Trade procurement, as suggested in the EP resolution. DG Employment, Social Affairs and Equal Opportunities is currently in the process of developing guidelines regarding the inclusion of social considerations in public procurement and we feel DG Trade must closely collaborate in this process and ensure that Fair Trade will also be covered by future guidelines.

With the growing interest and support to Fair Trade, both in Europe and in the South, it is important that the Commission takes this opportunity to substantially increase its support to Fair Trade and small producers in developing countries. We look forward to the Commission's position regarding Fair Trade and trust the views expressed by civil society will be taken into account.