



ANNUAL REPORT 2021

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A Message from the President

Greetings to all members of our WFTO Community. It is my pleasure to present the WFTO 2021 annual report. It covers a range of activities and the financial accounts. We remain healthy organisationally and financially, while preparing to tackle substantial challenges over coming years. I take this moment to thank our members for their commitment and support to the organisation we have built together.

Our global board has worked with great commitment to fulfil its role through the year. We met virtually every quarter, while board Task Forces covering Finance, Personnel and Membership and Monitoring met regularly to ensure stability and good governance of the organisation.

Preparations for the 2022 Berlin summit have been a major focus for the board and staff. The Summit Working Group, which includes some of our board members, staff and the local hosts of the summit, worked on the programme covering issues most pressing and relevant for our members. The working group also worked hard to achieve additional funds for the summit, including facilitating a very successful crowd funding initiative to support member participation. This has made it possible for us to offer a reasonable ticket price and sponsored tickets.

Our members continued to face challenges while finding everyday innovative solutions to manage their enterprises. External factors including limited shipping and transportation availability, lockdowns and restricted movements greatly impacted our members through 2021. High inflation rates, experienced by many countries post Covid, also added to economic pressures on Fair Trade Enterprises around the world.



Photo: WFTO

The climate crisis continues to grow in significance for the world and WFTO members alike. Unpredictable weather conditions, extreme heat and cold, floods, landslides and drought affected production and farming cycles. WFTO members and their communities are among the first to feel the great impacts of a changing climate.

In response, WFTO led the call for action together with the Fair Trade Advocacy Office and Fairtrade International to demand Climate and Trade Justice. Our campaigns and support for advocacy has increasingly highlighted this issue.

WFTO's Fair Trade principle 10, focused on the climate and the environment has also been revised in line with the position of our members around the world. The voice of the WFTO community was strong and clear through the resolution it passed in Lima. We have enacted this update into the 10 Principles of Fair Trade.

WFTO is aligned to the Sustainable Development Goals. We have pioneered a business model that places people and the planet at the core of its mission. We are placing our faith in and informing our actions towards a transformation of conventional business systems to be fair, sustainable and caring of the environment. We aim to work together with other movements to advocate for this transformation, including for a shift in how we measure growth, progress and development. We are confronting a global reality that has revealed that the current political and economic systems have largely contributed to existing social and economic inequities and the climate crisis.

Systemic change is the need of the times. This is possible if we align and collaborate with other Fair Trade and social movements, amplify our voices and take collective action for a more equitable society and a healthy environment.

As we look at 2022 and the coming years it is this broader ambition we embrace, joined together with our membership and beyond to achieve the ideals of Fair Trade.

In solidarity,

Roopa Mehta
WFTO President





A Message from the Chief Executive

The year 2021 was the second year where COVID was still ruling our world. As the global office of WFTO we continued our activities, at a different pace and mostly remotely. Nevertheless, our members were in full transition to adapt to the new situation, and they managed quite well when the situation allowed. Online shops became the norm, and that is certainly a positive change for our producers to increase their market. But also to increase the visibility of the WFTO brand, which is important too.

In 2021 we could welcome 42 new members. The growing numbers are a positive sign for our movement; Fair Trade Enterprises are in the end the only future proof companies that will provide added value to our societies and environment. The campaign, we launched in 2021 on #BuildBackFairer, was a good example of how Fair Trade Enterprises are

delivering very well in achieving a sustainable economic model. Small Scale Enterprises are less polluting, and our members, the Fair Trade Enterprises, are even adding value to the communities and environment with their social and environmental actions. This will make the society less vulnerable for future pandemics.

Fair Trade Enterprises are best placed to empower local communities and give citizens a stronger political voice to hold their governments accountable in their commitments to achieve the 2030 Agenda for Sustainable Development (SDGs). It is crystal clear that changing the economic system is a political issue, it is all about breaking down existing power relations in trade and combat (vested) interests that goes against Sustainable Development. It is obvious that WFTO takes a responsibility in this political agenda too, and continues advocating for

alternative business models that will bring more well-being, prosperity and profit to the whole of our society and not only to the happy few.

Our activities as WFTO will continue to focus on strengthening the movement and the members, by increasing market access, promoting the 10 principles of Fair Trade, and creating more space for Fair Trade in the local and international markets. But also, to represent the members in international policy making and develop partnerships with like-minded associations to join our fight

against exploitation of people and the planet. That was in 2021 our aim and will also be on the agenda for 2022 and beyond!

Stay tuned!

Tamara Cobussen
(Acting CE from 7 September 2021 until 30 of April 2022)

Leida Rijnhout (CE from 2 of May 2022)

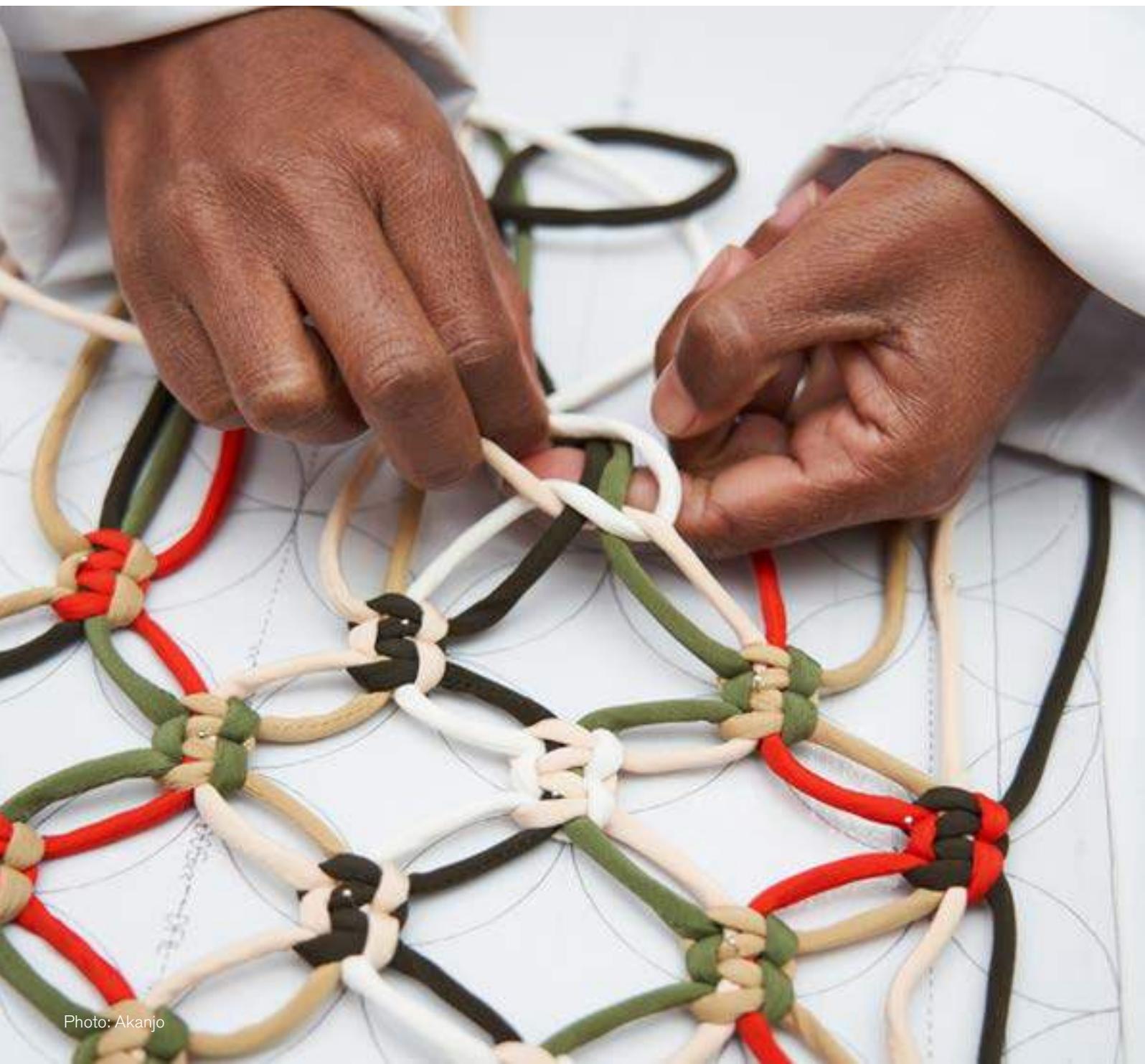






Photo: Craft Link

Home of Fair Trade Enterprises

WFTO is the home of Fair Trade Enterprises. Spread across more than 80 countries, members are verified as social enterprises that practise all our 10 principles of Fair Trade. To be a WFTO member, an enterprise or organisation must demonstrate they put people and planet first in everything they do. We are democratically run by our members. This is their global community.

WFTO = Sustainability + Social Enterprise + Fair Trade

WFTO focuses on acting like a social and green enterprise and Fair Trade. Its Guarantee System is the only international verification model focused on social enterprises that considers the interests of workers, farmers and artisans as very important. But at the same time puts a lot of emphasis on environmental protection and climate justice. Because we also care for the Planet, the home for future generations.

Our members

Members are Fair Trade Enterprises: they

are mission-led and have proven that workers, farmers, artisans and protecting the environment are their main priority. This means they are social and green enterprises that practice Fair Trade. We are a community of social entrepreneurs and campaigners, cooperatives and family businesses, innovators and Fair Trade pioneers and advocates.

We verify Fair Trade Enterprises

WFTO members are visited and verified by their peers and independent auditors against the 10 Principles of Fair Trade. The criteria are captured in the WFTO Fair Trade Standard. In contrast to commodity certifiers, the WFTO Guarantee System assesses the entirety of a business, not just a specific product, ingredient or supply chain. It includes an assessment of the enterprise's structure and business model, its operations and its supply chains of Fair Trade products. Once verified, a business can be considered a Fair Trade Enterprise that truly exists to put the interests of producers, environmental protection and their communities first.

The WFTO label is owned by Fair Trade Enterprises

WFTO members own the Guaranteed Fair Trade label and once fully-verified, they can use it on all their included products. The Guaranteed Fair Trade label is exclusively used by mission-led businesses that are fully committed to Fair Trade in everything they do. It is the symbol for Fair Trade Enterprises.

Our community

Our community of Fair Trade Enterprises is growing and its impact is rising. By the end of 2021, there are 213 social enterprises that became verified Fair Trade enterprises. Social enterprises that join our community go through the Guarantee System procedure to verify their Fair Trade compliance, as part of their membership obligations.

263 - Guaranteed members (verified Fair Trade Enterprises)

154 - members in the process of becoming guaranteed

457 - total number of members





Photo: Artesania de Chile

WFTO Projects in 2021

Small But Perfectly Formed Project

In June, the Small but Perfectly Formed Project was launched together with 9 international partners with a call to fashion SMEs to avail a grant that is aimed to encourage innovation in fashion particularly making fashion production sustainable. Together with partners, we help promote the applications from European fashion SMEs to apply for project funding.

We are supporting 28 transnational projects through an 18-month development plan which consists of an acceleration programme with expert mentoring and intense educational modules, sharing resources on best practices, organising webinars with alternative businesses from the WFTO network and of building a transnational network of sustainable fashion practitioners from all around the world.

Beyond Beautiful

“Beyond Beautiful” is the culmination of a selective process. 450 products from 47 WFTO members were received, together with stories about resourcefulness, sustainability, tradition, innovation, collective approaches, shared community

and environmental responsibility behind the products. The selected products are statement pieces embodying the best of design, the best of a technique, or product type or material. Each piece speaks for itself – encompassing the story of ‘Beyond Beauty’ -, these are pieces that showcase artisans as masters of their craft and champions of their trade. Products from each region were selected for each category in order that all regions are represented.

The Beyond Beautiful website was launched in July, which was followed by intense promotion on social media and in selected collaborations with platforms and virtual exhibitions. This curated website was designed to drive interested buyers to the now upgraded WFTO product search.

Virtual exhibition options continued to play a central role in trade shows. WFTO has exhibited the Beyond Beautiful collection at Nextrade and the NY NOW digital platform, where we held a webinar in which we introduced WFTO and our members to potential buyers. A new booth design and exhibition catalogue were created for physical trade shows as a replicable concept

that not only can be applied for Ambiente and NY NOW but potentially also for other exhibitions and shows in coming years (including the 2022 WFTO Summit in Berlin that will attract a range of members and commercial buyers).

MADE51

During 2021, Fair Trade for Refugee Artisans through MADE51, a UNHCR global initiative implemented by WFTO, has continued to successfully promote economic inclusion of refugees in the global artisan value chain. At the end of the year, this partnership enabled the MADE51 model to be operational in 22 countries through a network of 43 Local Social Enterprises (LSEs) and 3 local agents, and approximately 2,700 refugee artisans and over 15,000 beneficiaries¹.

WFTO is positioning itself as the Fair Trade verifier leader in the work with refugees. In addition to the knowledge pool developed over the last 4 years, fully available for members, further expertise was built by WFTO consultants through a series of workshops in product development &

marketing platforms; Fair Payment; quality assurance; building the artisan network, and more. The MADE51 Application form for LSE partners has been reviewed and aligned with the latest structure of the WFTO Guarantee System. This integration streamlines the entry to the WFTO community for those social enterprises working with refugees under fair trade conditions. Additionally, WFTO and MADE51 coordinated seed funding to support the audit costs of 7 new applicants and existing WFTO members.

Refugee stories and promotion of products of the Guaranteed Members who are part of the MADE51 project is integrated in the regular and campaigns calendar of the WFTO social media. Every year we celebrate World Refugee Day on 20 June. We worked closely with MADE51, who provided us with refugee materials, and jointly organised live events and a Fair Trade Giveaway to showcase the stories behind the refugees making the products and the social enterprises working with them.

¹ 2020 MADE51 Impact Report



Building Networks for Social Enterprises: Fair Trade Turkey

In this project WFTO works on building up a Social Enterprise Network in Turkey together with our partner INOGAR. In this project, trainers are trained and educated about the WFTO system, Fair Trade and network building. Furthermore, multiple roundtables facilitate the connection with social SMEs and potential network participants.

In this project, WFTO works together with Inogar Cooperative from Istanbul within the framework of the Civil Society Dialogue programme. The aim of this project is to facilitate the transfer of WFTO's knowledge on Fair Trade to the Turkish context in order to increase the awareness of stakeholders in the Turkish social economy ecosystem on Fair Trade practices as well as to increase the visibility of WFTO in Turkey. In order to achieve these goals, a group of trainers from Turkey were trained by WFTO who then provided local training to social enterprises and relevant organisations in 7 cities across Turkey. Furthermore, a series of roundtable meetings were organised in Ankara, Istanbul and Izmir to bring together different

partners and stakeholders to discuss Fair Trade in the Turkish context. As a final outcome, the project aims to build a Social Enterprise Network in Turkey and increase WFTO membership applications from Turkey in the long run.

eBay for Change

In partnership with eBay and Social Enterprise UK, WFTO works on giving market opportunities to fair trade and social enterprises. Through the eBay for change programme, WFTO members can access a comprehensive programme of targeted training and assistance and support with paperwork and order fulfilment enabling them to thrive through e-commerce, increase their visibility in the UK markets and reach a broader audience. Participating members of both WFTO and the UK's network member, BAFTS are now selling through the eBay for Change platform. With eBay we also found a partner to influence decision makers at a high level and increase government support for social and fair trade enterprises.





Photo: Fruandes

WFTO Supporting Market Access

Giving visibility to members, building new collaborations and supporting access to markets is a central part of WFTO's work. Throughout 2021, virtual presence and new alliances played a major role in the business support provided to members. New collaborations were built with the high-fashion brand CHLOÉ, Shopify, FAIRE and other organisations & platforms aligned and committed to support the goals of our movement.

New Members Area

The WFTO Members Area is the place to be for the WFTO community and where members stay up to date with all latest updates, materials and opportunities. New features were developed in 2021, resulting in a brand new WFTO Platform. Members can find everything they need to know there, from where they stand in their Guarantee System cycle, to their latest Self-Assessment Report and many more. We also added community features on the site, to connect them with one another and the whole community more easily. Some of the

additions are similar to social media: posting stories and photos, liking posts, building connections, joining groups and an easy visual environment.

WFTO Suppliers Search

WFTO's supplier search is constantly being improved. As more and more buyers come to wfto.com to find suppliers, we need to present information about members more effectively. The product search features over 90 members who have previously filled out a market information form, which entails information buyers are interested in, such as size of business, lead time for production, minimum order quantities, etc.

WFTO Hub on Common Objective launch

WFTO saw this partnership upgraded with the new WFTO Hub launched and live at Common Objective (world's leading sustainable fashion & homewares platform). This virtual space made the search for the world's most inspiring fashion enterprises (Fair Trade Enterprises) much easier.

The WFTO Hub was promoted heavily by Common Objective to their 45k members (mostly individuals from brands focused on sustainable fashion), as well as across our social media channels. It contains resources about Fair Trade, WFTO and Fair Trade fashion suppliers and through it, WFTO members gain visibility with fashion and homeware buyers and brands from around the world.

WFTO-CHLOÉ Partnership

Following a partnership with WFTO signed in September 2020, Chloé launched

its first Fair Trade luxury collections in March 2021, produced in both an ethical and environmentally responsible manner. Not only has Chloé set out to use more environmentally responsible materials than Chloé's predecessors, but it has also set a goal to have 20% of Chloé products manufactured by WFTO members with Guaranteed Fair Trade status over the long term, while maintaining the highest luxury quality. To that end, we are working together to expand Chloé's existing supply chain partners to include social enterprises and to help existing suppliers become Fair Trade certified.



Photo: Joyya





Communications, Campaigns and Advocacy

Campaigning in 2021 was special. It was the height of the pandemic. The general attitude was vigilance and anxiety and at the same time a sense of aspiration to innovate and adapt to the unfolding crisis.

The pandemic and its impact on people became a major theme across our social media. We adapted our stories to unmask the deficiency of the conventional business models in responding to the needs of its workers and suppliers in pandemic times. In contrast we highlighted Fair Trade Enterprises' commitment to their societal mission by stressing how they sacrificed their profit to respond to their welfare and needs of their workers and producers. And how important it is to decrease the exploitation of the environment and wildlife habitat, which was one of the causes of the Covid pandemic.

Led by the World Economic Forum, we joined the COVID-19 response alliance for social entrepreneurs and participated in the communications that took place in the first quarter of the year.

We intensified the people and planet narrative on social media to highlight the commitment of Fair Trade Enterprises during pandemic times.

Joined by sister movements, WFTO continued the #BuildBackFairer call of the Fair Trade movement which was started by the Fair Trade Advocacy Office in September 2020 for the International Fair Trade Charter celebration. In 2020, WFTO adopted this call as its theme for the World Fair Trade Day 2021 celebration.

As started during the World Fair Trade Day celebration of the previous years, we fully transitioned to digital celebrations and advised members to do the same.

We intensified attracting buyers and potential business partners of WFTO by highlighting business models and practices of Fair Trade Enterprises. Together with other members, WFTO participated in the digital market to sustain the flow of orders.

Since the majority of guaranteed Fair Trade

Enterprises are into fashion, we have also given some spotlight to our community's Fair Trade fashion brands by celebrating their innovations and best business practices not only during the Fashion Revolution Week but throughout the year.

International Women's Day

Marking the International Women's Day on 8 March, we devoted a one-week lead up campaign to put the stories out on the women in Fair Trade who continue to excel in what they do. From Fair Trade producers and workers to entrepreneurs and campaigners, we celebrated the inspiring stories of the #WomenOfFairTrade who #ChooseToChallenge.

We celebrated the women who created opportunities for other women and their communities, women who showed courage and overcame barriers, women who are leading in their communities and showing inspiration, and women who are taking a stand and setting an example. The global community of Fair Trade Enterprises is full of women who are leading the challenge to spread equality through positive examples.

Fair Trade Enterprises across the globe joined the celebration and showcased their own inspiring stories of women who choose to challenge the broken system and structures that perpetuate inequality. During the campaign period, the social media profiles of members were full of stories and photos of men and women participating in the photo challenge.



Fashion Revolution Week

Fashion Revolution Week was a great moment to showcase the innovations of Fair Trade Enterprises in pursuing sustainability in fashion, while creating economic opportunities for fashion producers and workers. Fair Trade fashion brands joined asking #WhoMadeYourClothers to help raise awareness on fashion transparency and conscientious consumption of fashion products.

This year, WFTO partnered with Fashion Revolution in organising an Instagram Live on how businesses can revolutionise their fashion chain by working with artisanal producers through mutual respect, dialogue and transparency. We invited

Fair Trade Enterprises and a luxury brand representative who have experienced working with Fair Trade fashion suppliers and shared their successful business partnership. It was a good discussion that allowed the guests to demonstrate their successful collaboration with a global fashion brand.

Fashion Revolution Week is one of the major campaigning moments for the global community of Fair Trade Enterprises. And each year, the community inspires the fashion industry with their innovations and business practices.



A woman with dark hair and glasses, wearing a vibrant, multi-colored patterned dress, is smiling and holding a white rectangular sign. The sign features the text 'I made your clothes' in a large, bold, black, handwritten-style font. Below the main text, in a smaller, black, sans-serif font, is the text '#IMADEYOURCLOTHES' and 'FASHIONREVOLUTION.ORG'. The background shows a rustic setting with a yellow wall and a blue metal structure.

I made
your
clothes

#IMADEYOURCLOTHES
FASHIONREVOLUTION.ORG

World Fair Trade Day

The disruptive nature of the pandemic has opened us a chance to call for an equitable and sustainable transformation. Adopting the 2020's statement for the anniversary of the International Fair Trade Charter, the WFTO adopted the #BuildBackFairer theme for the World Fair Trade Day 2021 celebration.

The Fair Trade Day celebration has forged alliance with sister movements in pushing for a sustainable transition in the recovery from the pandemic. The cooperative, organic, well-being economy and the social solidarity economy movements joined the celebration by presenting the key points of the Build Back Fairer statement signed the year before, in 2020.

WFTO and the Fair Trade Advocacy Office partnered in this year's celebration. We highlighted Fair Trade movement's solutions to the rising inequality, to entrenched poverty, to gender discrimination

and to environmental destruction.

#BuildBackFairer is a call about recovering from the pandemic means our chance to transition to an equitable and sustainable future. That we cannot simply just go back to a broken system and that we have the chance to rethink our economies and make it more inclusive and equitable,

The pandemic has created a sense of renewed commitment to work for a fair recovery among the community of Fair Trade Enterprises. This was reflected in the members' participation in the global celebration. Across social media, photos of the #BuildBackFairer posters splashed the social media walls of our community. Fair Trade supporters and partners expressed support to ethical transformations through posting the #buidlbackfairer poster on their accounts. Overall, the #buildbackfairer hashtag made over 59 million impressions on social media, making it one of the successful campaigns of WFTO and the Fair Trade movement.





Crowdfunding Campaign for the Berlin Summit

This year we wanted to make sure that all small entrepreneurs could come to the biggest Fair Trade gathering of the last three years, the 16th International Fair Trade Summit. For two full months (November and December 2021), together with our partner Weltladen, we have launched a crowdfunding campaign across our social media to specifically support those

members. With the 20.500 Euro we raised, we are able to give 59 free tickets to Fair Trade Enterprises to join the Berlin Summit. Bringing them to the Berlin Summit will help smaller Fair Trade Enterprises to meet prospective business partners, network, exchange good practices and big ideas in tackling the current global challenges and help shape the future of Fair Trade as we discuss the future of Fair Trade.





Fair Trade Advocacy Office

WFTO is a co-founder of the Fair Trade Advocacy Office (FTAO) and contributes financially to its activities. WFTO and WFTO Europe each have a seat on FTAOs board. WFTO partners closely with FTAO on policy, advocacy and campaigning.

At an EU level and through 2021, the FTAO has been actively advocating for an EU human rights due diligence framework that benefits small farmers and workers in global supply chains. Together with other civil society organisations, it urged the European Commission (EC) to adopt an ambitious and gender responsive proposal which includes purchasing practices in a transparent way.

During 2021, the FTAO has also maintained its advocacy efforts at the EC and at the European Parliament (EP) level to ensure that the EU Textile Strategy reaches an acceptable level of ambition. In particular, the FTAO started a specific workstream on the eradication of unfair trading practices from the textile sector, which will continue through 2022 and beyond and will include the commissioning of research and use of

this evidence for advocacy purposes.

On World Fair Trade Day on the second Saturday of May 2021, FTAO secured an active cooperation of various international policy-makers and International civil society networks, such as the International Cooperative Alliance, RIPESS, IFOAM Organics International, to join the WFTO-led celebrations, this year around the “Build Back Fairer” theme.

During the second half of the year, the FTAO launched the first generation of the Young Fair Trade Advocates. The aim of the program is to educate and accompany young adults all over the EU to increase their capacities to become advocates for fair and sustainable trade policies at European level. In this context, FTAO was also able to support the creation of an active network of young activists by administering subgrants for NGOs, Trade Unions and youth-led initiatives in the EU15+ countries.

In November 2021, in the run-up to the COP26 Climate Change Conference, the

FTAO coordinated the publication and translations of a joint position paper titled “Placing fairness at the heart of climate ambition”. Also in November, the FTAO together with partners had published in September 2021 the briefing paper “Including smallholders in EU action to protect and restore the world’s forests” in preparation of the long-awaited legislative proposal to eradicate deforestation from supply chains by the EC.

In December 2021, the EC presented a first-ever European Social Economy Action Plan. The FTAO welcomed the adoption of the new policy document that aims at promoting

the uptake of Social Economy actors, including social enterprises. However, the FTAO stressed that this shall not replace the ambition to mainstream Social Economies’ principles to the whole economy. Social economies should not be considered as niche models or alternative models but as the driver for change towards truly sustainable economies.

Last but not least, in December 2021 the FTAO published an international research report that looks at good practice “Fair Trade Public Policies” around the world.





Highlights from WFTO Regions

WFTO ASIA

People's Masks, WFTO Asia's response to combat COVID-19

As of end March 2021, over 15 member Fair Trade Enterprises of WFTO Asia in 8 countries in Asia have participated in the Fair Trade Covid-19 Response. Approximately 700,000 People's Masks (Fair Trade masks) were produced for and distributed to the remote villages and poor communities in Thailand, Indonesia, Bangladesh, India, Sri Lanka, Armenia, Philippines, and Vietnam to contribute in combating Covid-19.

WFTO Asia's B2B Virtual Expo 2021

November 18 – WFTO Asia hosted the B2B Virtual Expo 2021 with the theme “Resiliency amid the Pandemic: WFTO Asia Pivots to Accessible Markets and Opportunities” to showcase and virtually market products of WFTO members in Asia to buyers from across the globe and in preparation for the next normal. In the Fair Trade community, marginalised producers in developing countries are assisted to establish long-term and equitable

trading ties. Members of the Fair Trade movement are concerned about the way businesses are conducted globally and as a response are developing innovative ways to improve environmental and social standards that puts people and the planet first.

The 21 participating Fair Trade Enterprises from 9 countries across Asia included; Apikri, BaSE, Biansa Home, CCAP Fairtrade, CHILDREN-Nepal, Dhaka Handicrafts, Earth Heir, Gospel House Handicrafts, La Plantation, Last Forest, Mahaguthi, Maharani Handicraft, Mitra Bali, Pekerti, Prokritee, Salay Handmade, SIPA, Soap-n-Scent, Thai Tribal Crafts, Villageworks and WEAVE, Thailand. Meanwhile, the buyers who joined in the event included those from the USA, Italy, Germany, United Kingdom, Australia, Hong Kong and Japan.

WFTO Asia's Annual General Meeting 2021

Even during this extra-ordinary time, WFTO Asia must meet its Constitutional obligation. In accordance with the Asia rules, the WFTO Asia Annual General Meeting (AGM) must be conducted. On

November 19, 2021 the virtual AGM was conducted and was presided by the WFTO Asia President, Ms. Maria V Urgel. It reached a 57% attendance of the WFTO Asia membership or a 71 quorum composed of 65 eligible members and 6 proxies.

At the AGM, the WFTO Asia members approved by consensus the three (3) proposed resolutions and two significant resolutions, namely: “Resolutions 2: On Climate Crisis” and “Resolution 3: On Promoting & Strengthening of Fair Trade and Membership growth across the Globe” were presented at the 2021 eGM of the WFTO Global during the Business Meeting held on November 22, 2021. For the full information on AGM 2021 Minutes, please [click here](#).

Exploring Mae Hong Son to be the 1st Fair Trade City

WFTO Asia Foundation together with some Civil Society Organisation in Mae Hong Son headed by Agro Hunter Journey meet with the 2nd Deputy Governor of Mae Hong Son Province, the Deputy Tourism Officer and the Mae Hong Son Chamber of Commerce on November 18, 2021 to discuss about the possibility of collaboration in advancing the livelihoods and tourism through Fair Trade. Mae Hong Son offers diverse flora and fauna as well indigenous peoples’ culture and heritage.

WFTO LATIN AMERICA

Although many events were happening in the region, the biggest and saddest news was that Zulma Britez passed away on the 20th of May. That was a huge shock for all WFTO members, as she was so crucial for the Fair Trade movement globally, and especially in Latin America.

In May 2021, as part of the Latin America Fair Trade Towns initiative, WFTO Latin America developed a workshop webinar to support members’ digital strategy and

to show how to produce professional videos and photos that could be used for their websites. This workshop was the product of the collaboration between WFTO Latin America with CLAC and it was sponsored by Bread for the World. WFTO Latin America continues with its efforts to reinforce its digital presence. For this reason, WFTO Latin America participated in the International Forum of Fair Trade in Ecuador and implemented a Communications and Social Media Strategy Internship. Furthermore, WFTO member Artesol Brasil was a finalist in the Digital Innovation competition organised by the Brazil Bank.

Other key moments during the last year were organised in the region. These included the celebration event in Ecuador during the World Fair Trade Day, the International Seminar on Latin America Women and Sustainability, organised by Chilean WFTO members together with CORFO-Chile and European Union sponsors, and the International Forum on Fair Trade and Sustainability, organised by WFTO Peru with PROMPERU, which saw designers, experts from Fair-Trade Revolution, and WFTO Chief Executive as speakers.

This year’s International Fair Trade Towns Conference, scheduled to be hosted in Quito, Ecuador was postponed to October 2022, with WFTO Ecuador leading the event. WFTO Latin America and CLAC, as part of the Fair-Trade Initiative, started to work on the Handbook in Best Practices in Fair Trade Towns to be presented in 2022.

WFTO PACIFIC

Dr. Bronner’s, a California-based Fair Trade Enterprise, has been actively supporting their partners through various initiatives. In Ghana, the Fair Trade soap maker supported farmer diversification and climate resilience with dynamic agroforestry projects in the country.

In India, Dr Bronner's local Fair Trade partner in Northern India, Pavitramenthe, coordinated a COVID relief campaign, and with help from the members of the Climate Collaborative, they raised nearly \$10,000 in Covid relief funds which Dr. Bronner's then matched, to help purchase and distribute medical supplies, PPE, ayurvedic medicines and immune supplements that have saved lives and helped the community weather the most recent storm of Covid-19 infections.

Together, they also launched a menstrual hygiene project to support women from rural communities in India and provide them with washable sanitary pads. They also organised mutual aid programs in the US and beyond, by donating nearly 88,000 individual products then distributed through a variety of nonprofit and grassroots outreach and direct-service efforts in the form of community pantries, hygiene kits, shower

trailers, free stores, shelters, and outreach vehicles, just to name a few.

The Fair Trade Federation (FTF), a Network member of the WFTO in the US and Canada, continued to strengthen and expand commercial partnerships with IMC, NY NOW, Faire, the Museum Store Association, and others to help bring fair trade verified products to the North American market. Also, working to integrate principles of social justice and inclusion to further the Fair Trade Federation's mission and vision, the FTF Justice Equity Diversity and Inclusion (JEDI) Committee embarked on a process in 2021 to review and update the core document of the FTF community, their Code of Practice.

Photo: Cojolya



WFTO EUROPE

WFTO-Europe had a busy year in 2021: after finishing the major, 3-year EC DEAR project, “Trade Fair, Live Fair”, at the end of 2020, we commenced two new projects in the beginning of 2021, and alongside those dedicated our efforts to several advocacy and awareness-raising initiatives. Above all, 2021 was a year where collaboration and partnerships were in focus for WFTO-Europe.

On the project side, they participated in the research project FASS Food EU, led by professor Tomaso Ferrando at the Institute of Development Policy (IOB) at University of Antwerp, with FTAO as an additional partner. The project is dedicated to researching food initiatives in the EU that are Fair, Accessible, Sustainable and Short (FASS) in order to understand the blockers they face in getting a good position in the market and scaling up, as well as the enablers they have or need in order to scale up and be replicated elsewhere. Our Northern Producer members, Solidale Italiano and Syn Allois (in Greece) are directly involved and case studies on both of them have been conducted during the year. WFTO Europe’s second project in 2021 is Building Fair Bridges - West Africa, a collaboration with WFTO-Africa & Middle East and Fair Trade Lebanon, which is funded by the French Équité programme. Their main role has been to develop a study for facilitating market access for West African producers on the path to Fair Trade verification.

Further, they have kept their strong collaboration with like-minded organisations, especially CONCORD Europe and the International Cooperatives Alliance (ICA) within the Sustainable Economy Working Group hosted by CONCORD Europe. Together with these allies, they have been promoting the WFTO approach through their joint term,

Sustainable and Inclusive Business Models (SIBMs). In their efforts to promote their joint report “Mind Our Business” and their monitoring and advocacy work on the EU Social Economy Action Plan, they have also established a direct and strong collaboration with EC officials working on the EU’s sustainable development objectives. WFTO Europe sees how they increasingly speak the same language as us and take this as a testament to our efforts.

WFTO-Europe also conducted focused research on Northern Producers, thanks to the work of their intern, Luzia Amon, especially looking at how specific criteria for them can be better defined and clarified. Furthering this work has occupied both the secretariat and the WFTO-Europe Board as this has been named a priority by many of our European members. They also see that there is big momentum on this topic as part of a broader movement in Europe on safeguarding decent work and combating increasingly stark inequalities in some of the world’s most affluent societies. Their engagement and open positioning on this on behalf of WFTO in Europe is therefore extremely important.

Towards the end of the year, WFTO Europe also cemented the WFTO position on Human Rights and Environmental Due Diligence with a position paper launched on Human Rights Day (10th December). They developed this position in close collaboration with WFTO Global and though it relates to the Corporate Sustainable Due Diligence Directive, which the European Commission were expected to make a proposal on in December, the position takes the UN Guiding Principles as its foundation. Most importantly, however, they emphasize that Due Diligence is only the second best tool for business to serve people and planet - mission-led business models remain the best.

WFTO Europe has continued the tradition of a yearly Members' Review that explores different good Fair Trade practices contributing to the SDGs. This is also a strong resource for their advocacy and awareness-raising efforts and they continue to build our case for the WFTO approach on examples of the inspiring Fair Trade practices of our members - as such, this is work that always make us proud when they showcase how our European members pioneer as companies that both remain viable and have significant, positive impacts on people and planet as direct results of their core business. This way they continue to connect the members and the WFTO approach directly with the increasingly mainstream ideas of the Sustainable Development Goals and the efforts needed to achieve them.

WFTO AFRICA & MIDDLE EAST

WFTO Africa and Middle East membership grew to 90 members spread across 26 countries in the region – six more countries than in the previous year. The region retained 5 staff members - 3 full-time, 2 part-time and 6-member Board during the reporting period. The region launched the implementation of the second phase of domestic fair trade projects being implemented in Kenya and South Africa – as a testing ground for possible scaling up into more countries in future. The program, which is funded by Bread for the World, has the objective of using Fair Trade as a tool to promote sustainable consumption and lifestyles – through consumer education and engagement and establishment of partnerships with public institutions e.g. local authorities, institutions of learning etc. Among the highlights in 2021 includes the launch of Fair Trade Towns Campaigns at Drakenstein Municipality in South Africa.

Engagement with specific institutions of learning in both Kenya and South Africa had also been set in motion. It is also within the realm of the project that a wider

consultation spearheaded by the regional representative at the International Fair Trade Towns Committee on the development of Africa and Middle East Wide Framework for the promotion of Fair Trade Towns Campaigns in the region has been launched and a working group/committee established. One of the medium term agenda is to bid for the hosting of the International Fair Trade Towns Conference in 2024. WFTO Africa and Middle East also held for the second year Fair Africa Fortnight and inaugural Walkathon to promote awareness of Fair Trade in the region.

The Region also embarked on the implementation of a 2-year project under Equite Project targeted at the West African countries of Burkina Faso, Benin, Ivory Coast, Mali and Togo as well as Ghana, and developed within a framework of consortium comprising WFTO Africa and Middle East, WFTO Europe and Fair Trade Lebanon. Commerce Équitable France (CEF) and AVSF - Agronomes et Vétérinaires Sans Frontières (AVSF) are the holders of the overall Equite Project. The project is part of the wider Equite Project for West Africa in which Commerce Équitable France (CEF) and AVSF - Agronomes et Vétérinaires Sans Frontières (AVSF) are the project holders.

This specific part of the larger project seeks to strengthen the footprint of WFTO in West Africa, enhance the market access opportunities for the producer organisations, strengthen the leadership, business and organisational skills of women producers and workers and develop knowledge and information on producer organisations on adaptation and mitigation of the effects of climate change as well as compliance with the Fair Trade principle on environment. Among the highlights of 2021 was the mapping of 19 producer organisations across the targeted countries and the launch of market study on entry into the European market to provide the producers from the targeted countries with the necessary orientation when seeking to enter such a market.

As part of the effort to increase the footprint of WFTO in the region, the network has entered into a partnership with Scotland Fair Trade Forum on a pilot basis to support 3 social enterprises in Malawi in selected value chains to become Fair Trade and connect them with the Fair Trade Market in Scotland. From an institutional perspective, WFTO Africa and Middle East has embarked on an organisational business process re-engineering process which is intended to help the network envision the

future and to explore possible paradigm shifts on priorities and business orientation required to achieve that future. The main objective of the reengineering process therefore is to position WFTO Africa and Middle East to better serve the members, to become a champion and a major influencer of the growth and development of Fair Trade in the region.

Photo: The Citizenry





Photo: Artesania de Chile

Finances

WFTO had set a conservative budget for 2021 in anticipation of the expected impact of the pandemic. Despite the difficulties experienced by many members to settle their membership fees, we are proud and grateful to say that the payment ratio of WFTO members has been 124% compared to the conservative 2021 budget. Extended and flexible payment terms allowed members to stretch payments throughout the whole of 2021. WFTO members have shown a strong commitment to the organisation and their communities despite all the challenges.

Limited activities and travel as a result of lockdown restrictions combined with new projects and increased involvement of staff in projects, also meant a reduction of core costs. The combination of these factors enabled WFTO to end the year with a significant surplus of €219k while budgeting a deficit of -€38k. The bulk of this surplus has been allocated to cover the projected budget deficit of 2022 of -€179k.

This enables WFTO to continue to deliver its various services while expecting limited income due to the turnover reductions of members. Further allocations have been made towards the WFTO Berlin summit, as well as support for the regional offices and the Guarantee System review which will happen in 2022.



Balance Sheet

	Notes	31st December 2021 €	31st December 2020 €
FIXED ASSETS			
Tangible fixed assets	1	3.827	3.706
CURRENT ASSETS			
Debtors and other receivables			
Trade debtors (members)	2	20.575	16.508
Other receivables	3	106.978	19.907
		127.553	36.415
Cash at bank and in hand	4	923.267	733.102
Total current assets		1.050.820	769.517
Total Assets		1.054.647	773.223
RESERVES			
Dedicated reserves	5	416.176	197.146
General reserve	6	300.300	300.423
		716.476	497.569
CURRENT LIABILITIES, ACCRUALS AND DEFERRED INCOME			
Creditors		142.206	95.625
Taxation and social security	7	18.172	22.515
Accruals and deferred income	8	177.793	157.513
		338.171	275.653
Total reserves and liabilities		1.054.647	773.223



Income Statement

INCOME

Core & unrestricted income (Membership fees etc)	9	619.596	496.000	596.597
Project (restricted) income (Donor funds)	10	670.487	88.318	462.422
Other income (Summit)	11	-	-	-
Total income		<u>1.290.083</u>	<u>584.318</u>	<u>1.059.019</u>

EXPENSES

CORE COSTS

Employee expenses	12	484.094	402.800	433.273
Employee expenses covered through projects		<u>-188.205</u>	<u>-</u>	<u>-61.544</u>
		<u>295.889</u>	<u>402.800</u>	<u>371.729</u>
Depreciation fixed assets	13	<u>2.986</u>	<u>2.750</u>	<u>2.833</u>
		<u>2.986</u>	<u>2.750</u>	<u>2.833</u>
Housing expenses	14	18.744	18.700	24.397
General expenses	15	29.350	36.300	39.823
Advocacy contribution to FTAO	16	15.000	15.000	15.000
Activity expenses WFTO	17	23.998	70.000	59.930
		<u>385.967</u>	<u>545.550</u>	<u>513.712</u>

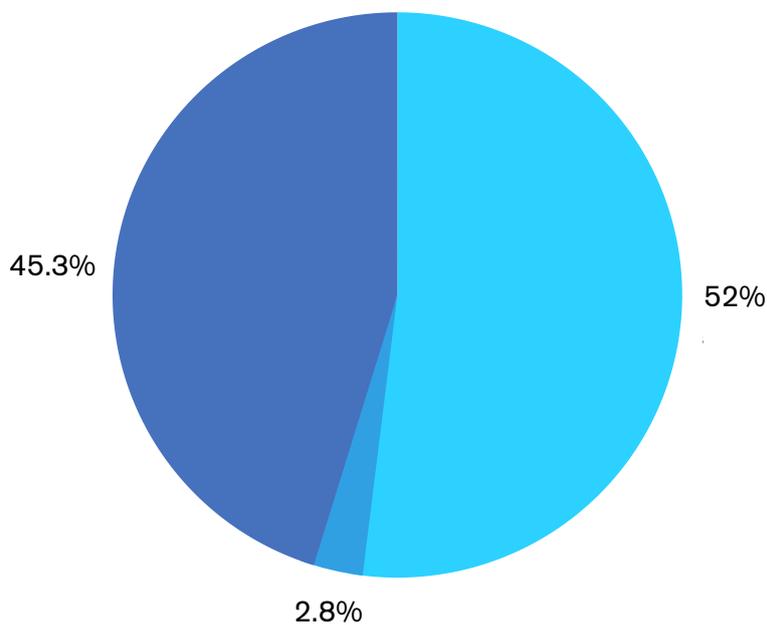
OTHER COSTS

Summit expenses	18	-	-	-
Project expenses WFTO	19	<u>678.893</u>	<u>72.218</u>	<u>441.756</u>
		<u>678.893</u>	<u>72.218</u>	<u>441.756</u>
Total expenses		<u>1.064.860</u>	<u>617.768</u>	<u>955.468</u>
		225.223	-33.450	103.551
Interest income and expenses				
Interest and similar income	20	-	200	2
Interest and similar expenses	21	<u>6.316</u>	<u>5.000</u>	<u>-120</u>
		<u>-6.316</u>	<u>-4.800</u>	<u>122</u>
NET (DEFICIT)/SURPLUS FOR THE YEAR		<u>218.907</u>	<u>-38.250</u>	<u>103.673</u>

APPROPRIATION OF RESULTS

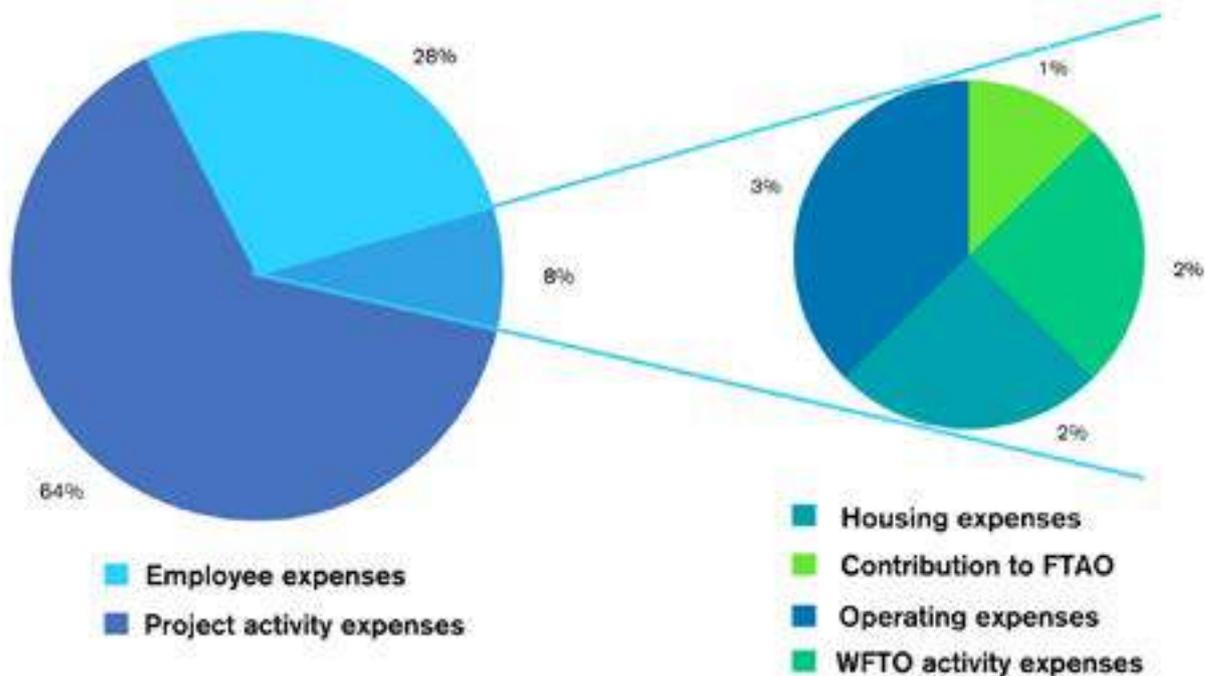
WFTO Brand Protection	18.250	-
Friends of Fair Trade	-5.000	-
Projects Co-funding	-	-
Incidental Staff	68.000	-
Temporary Support Staff	-66.720	-
WFTO Summit	100.000	-
Regional support	28.000	103.673
Campaigns	3.500	-
Board conference expense	13.000	-
GS review	20.000	-
COVID19 Impact	40.000	-
General reserve	-123	-
	<u>218.907</u>	<u>103.673</u>

WFTO Income 2021

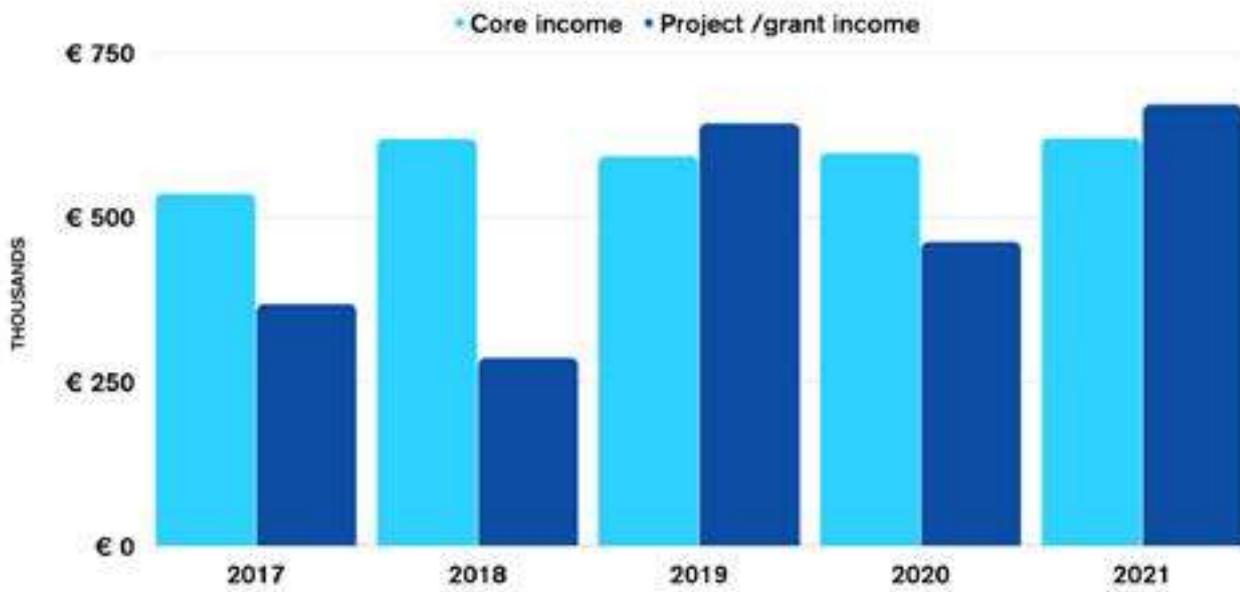


■ Membership fees
 ■ Other unrestricted income
 ■ Project income

WFTO Expenditure 2021



Core Income vs Project Income Evolution



Core Expenses vs Project Expense Evolution

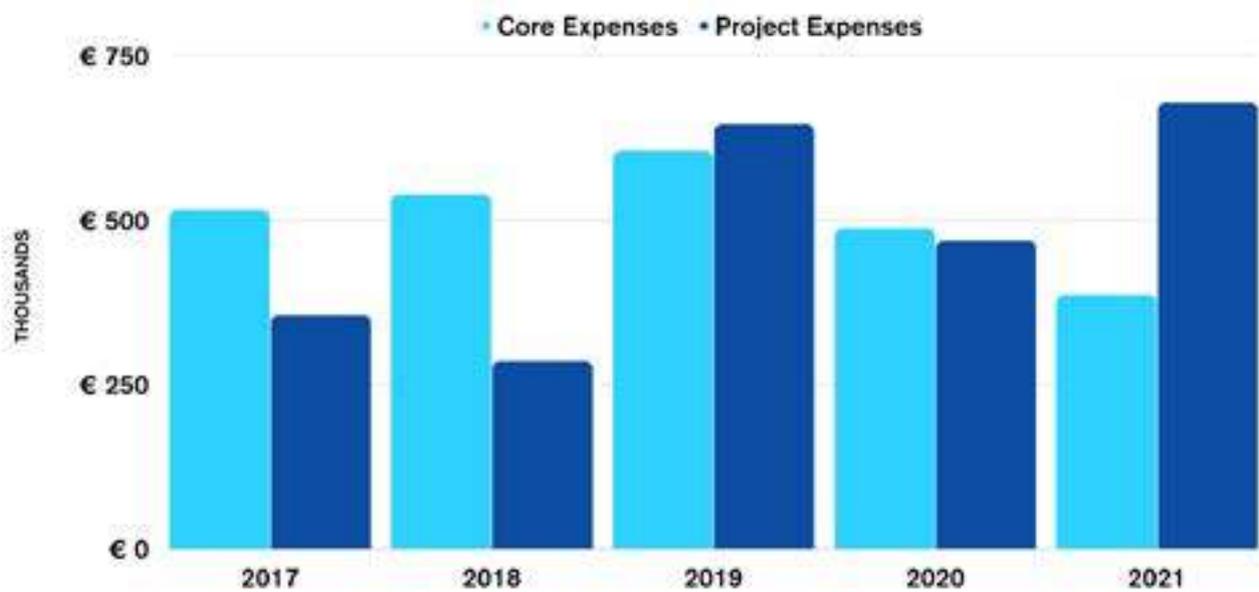




Photo: WFTO

WFTO Team

WFTO Board

Roopa Mehta (President), Sunil Chitkar (Asia), Ileana Cordon (independent), Giorgio Dal Fiume (independent), Indro Dasgupta (independent), Luis Heller (Latin America), Chris Solt (Pacific), Pieter Swart (Africa and Middle East) and Sophie Tack (Europe).

WFTO Staff and Interns in 2021

Erinch Sahan - Chief Executive (until September 2021)
Leida Rijnhout - Chief Executive (from 2 May 2022)

Guarantee System team:

Tamara Cobussen - GS Manager - Deputy CE
Francesca Gnesutta - Membership and Monitoring Officer
Caroline Torre - Membership and Monitoring Officer
Sarah de Lange - Membership and Monitoring Officer

Finance team:

Anna Weber - Finance and Administration Coordinator

Projects team:

Jette Ladiges - Partnerships Manager
Leonardo Grasso - Project Coordinator
Heidi Heikkinen - Project Officer
Zerrin Cengiz - Project Officer
Julia Rivero Mohedano - MADE51 Project Officer

Communications team:

Michael Sarcauga - Communications Manager
Amalia Speleta - Communications Officer and Executive Assistant

Communications interns:

Alisa Smirnova
Corman O'Connor
Marta Frigato

Online interns:

Sara Modesti
Sara Mancinelli
Matida Bobo
Leila Orlandi
Roxanne Ramirez

Partners

We would like to take the opportunity to thank our partners and supporters that have worked with us throughout the year, including:



Bread for the World (Germany), for their support towards the implementation of the Guarantee System, in particular the development of the WFTO Fair Payment process, including tools, learning materials and one-to-one coaching to support WFTO members calculating the Local Living Wage with their producers.



The European Commission, for supporting fair and ethical trade, and especially its engagement in awareness raising on gender equality.



Isabel Martin Foundation, for supporting supporting the Beyond Beautiful concept.



Messe Frankfurt (Germany), the complimentary booth space to promote WFTO members.



eBay, for their support of our members in e-commerce to thrive in ecommerce, spreading the Fair Trade social enterprise model and shaping economic ideas and policies in favour of social enterprises.



SEUK, for taking a joint journey with us to spread the Fair Trade social enterprise model in the UK and beyond, and to shape economic ideas and policies in favour of social enterprises.



New York Now (USA), for their support in all the preparations and throughout the NY NOW digital market in 2021.



Common Objective, for putting a spotlight on our members on their platform, always championing their practices and beautiful products.



The UN Refugee Agency (Switzerland), for our continued partnership to implement the MADE51 project to support refugee livelihoods through local social enterprises.



Wolters Kluwer Tax & Accounting Netherlands (The Netherlands), for providing WFTO with four years of free access to Twinfield, an online financial accounting software.



INOGAR COOPERATIVE, for taking a joint journey with us to introduce and transfer WFTO expertise in Fair Trade to the Turkish context, and to increase the awareness in Turkey on Fair Trade practices and initiatives.