

FAIR TRADE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
FAIRTRADE LABELLING AUSTRALIA AND NEW ZEALAND

# ANNUAL REPORT 2006/07



# CHANGE TODAY CHOOSE FAIR TRADE

Welcome to the Fair Trade Association of Australia and New Zealand (FTAANZ) and Fairtrade Labelling Australia and New Zealand (FLANZ) annual report. 2006/07 has been a very busy and successful year for us, with substantial growth in Fairtrade Certified and Labelled product sales, increased consumer awareness and interest in fair trade and the support and growth of the wider fair trade movement continuing in both Australia and New Zealand.

Both FTAANZ and FLANZ have grown in the last twelve months and have come through a very successful start up phase – we now have offices in Auckland and Melbourne, and nine members of staff. This report includes an update on our activities in relation to our four key objectives:

- Promote fair trade and educate
- Build the fair trade movement
- Support producers
- Develop the market – Fairtrade Labelling Initiative

A summary of our 2006/07 financial accounts are included within this report.

The fair trade movement has grown significantly in Australia and New Zealand in the last 12 months with more and more consumers, businesses, organisations and even our own local governments recognising the relevance of fair trade initiatives. 2007 has seen membership of FTAANZ increase to over 150 member organisations, a record number of new Fair Trade Communities signing up to the scheme, and retail sales of Fairtrade certified products expected to exceed AU\$15 million for the 06/07 Financial Year. We hope these positive trends will continue in 2008 and thank you all for your continuing support.

**Steve Knapp**  
Director  
FTAANZ & FLANZ

## STAFF

**Steve Knapp** Executive Director  
FTAANZ & FLANZ (Auckland)

**Pravin Sawmy** Networks Officer  
FTAANZ (Auckland)

**Rachel Morrison** Marketing and Communications Manager  
FTAANZ (Auckland)

**Neil Bowker** Executive Officer  
FTAANZ (Melbourne)

**Maria Trogolo** Program Manager, Producer Linkages  
FTAANZ (Auckland)

**Cameron Neil** Certification and Labelling Manager  
FLANZ (Canberra)

**Audrey Jacometti** Labelling Officer  
FLANZ (Melbourne)

**Jessica Morthorpe** Certification Assistant  
FLANZ (Canberra)

**Dylan Tromp** Business Development Officer  
FLANZ (Auckland)

This is a joint annual report for the Fair Trade Association of Australia and New Zealand and Fairtrade Labelling Australia and New Zealand:

## FAIR TRADE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

Fair Trade Association of Australia and New Zealand (FTAANZ) is a not for private profit association and membership is open to any organisation interested and supportive of fair trade principles. Members include traders and businesses involved in fair trade, IFAT members, FAIRTRADE Label licensees, environmental and development NGOs, faith based and community organisations, like minded ethical and sustainability initiatives, university and student organisations, consumer groups and a growing number of producer organisations in the Asia Pacific. FTAANZ now has 157 members and associate members across Australia and New Zealand from Perth to Dunedin. FTAANZ was formed to bring together the growing interests in fair trade in Australia and New Zealand, to foster and promote a common understanding of fair trade and facilitate the growth and development of the fair trade movement in both countries. FTAANZ has received financial support during this start up phase from Oxfam Australia and continued support from NZAID and ICCO.

FTAANZ continues to recognise the two international systems of fair trade – product certification and labelling to international FLO Fairtrade standards and Fair Trade Organisations registered with the International Fair Trade Association (IFAT). FTAANZ is a member of IFAT and attended this year's biennial IFAT conference in Belgium. FTAANZ is committed to supporting the development of the IFAT monitoring system, through representation on the registration sub-committee, and to explore how the application of IFAT fair trade standards can be extended to FTAANZ small trader members.

The FTAANZ Executive Committee are:

- Natasha Lewis** Organic Trader, Aus (Chair)  
**Barry Coates** Oxfam New Zealand, NZ (Vice-Chair)  
**Bev Alexander** Positive Impact, Aus (Treasurer)  
**Marion Wood** Commonsense Organics, NZ (Secretary)  
**Chris Morrison** BEE, NZ  
**Stuart Murphy** Green Canary, Aus  
**Nigel Walsh** Oxfam Shop, Aus  
**Caroline Thomas** PR Consultant, Aus

## FAIRTRADE LABELLING AUSTRALIA AND NEW ZEALAND

FAIRTRADE Labelling Australia & New Zealand (FLANZ) is a full and active member of FAIRTRADE Labelling Organisations (FLO), the organisation that sets the international standards for Fairtrade and governs the use of the FAIRTRADE Label worldwide. As a full member of FLO, FLANZ has the sole right to license the use of the International FAIRTRADE Label in Australia and New Zealand. FLANZ sets policy, within the international guidelines, and administers the Fairtrade Labelling scheme in Australia and New Zealand. In October 2007 FLANZ Executive Director, Steve Knapp, was elected to the FLO e.V. Board of Directors. As the most recent labelling initiative to join the FLO system, this has raised our international profile and is a great opportunity for FLANZ to be more involved and engaged with FLO at an international level. There are currently four dedicated labeling staff members. The FLANZ Board is elected by the FLANZ member organisations – Oxfam NZ, Oxfam Aus, Friends of the Earth Australia and Christian World Service NZ. The Board and membership of FLANZ are independent of any commercial interests in the use of the FAIRTRADE Label.

The FLANZ Board of Directors are:

- Diana Gibson** Chair  
**Barry Coates** Vice-Chair  
**Brett Inder** Treasurer  
**Paul Ferris** appt 12/06  
**Jonathan Fletcher** appt 06/07

## PROMOTE FAIR TRADE AND EDUCATE

Fair Trade Fortnight 2007 (FTF07) was the main promotional event of the year and consisted of a producer speaker tour across Australia and New Zealand. Both speakers this year came from coffee cooperatives in Costa Rica. There were 32 speaker tour events in NZ and more than 55 events were organised across Australia. This year saw considerably more local ownership and organisation of events, mainly through the state groups and dedicated voluntary coordinators in Australia, and groups coming together for the first time in cities across New Zealand.

Highlights of FTF07 were Fairtrade Football tournaments, Oxfam's biggest coffee break in New Zealand involving more than 300 workplaces, sell out screenings of Black Gold in Auckland and Melbourne, CWS and Trade Aid events in Wellington and Christchurch, the annual Fair Trade Fiesta in Sydney with more than 400 people attending and extensive media coverage with more than 100 media hits in each country.

New promotional materials produced this year included generic posters, postcards, promotional stickers and magnets as well as Fair Trade Fortnight specific posters and flyers. Fairtrade Certified cotton t-shirts were also printed with the new slogan:

### CHANGE TODAY CHOOSE FAIR TRADE

FTAANZ staff regularly present at conferences and business seminars and are invited to give presentations at schools, colleges and organisations who want to find out more about fair trade. The last twelve months has seen an increase in these activities including invitations to speak at the Telecom Seminars at the Auckland Food Show, the Pacific WTO Round Table, the Social Studies Teachers Conference (NZ) and at various other national and international organisations (e.g. Rotary Clubs etc.). This is an important part of our work and we are striving to spread the word through increased attendance at industry events, conferences and fair trade presentations on request (contact: [info@fairtrade.org.nz](mailto:info@fairtrade.org.nz) / [aust@fairtrade.com.au](mailto:aust@fairtrade.com.au)).

The education kit "Fair Trade For All" has been developed for upper primary and lower high school students. It includes six modules covering world trade, Fairtrade certification, coffee, cocoa, sweatshops and avenues for empowerment. The kit is available as a download from the FTAANZ website ([www.fairtrade.org.nz/resources](http://www.fairtrade.org.nz/resources)).



# BUILDING THE FAIR TRADE MOVEMENT

**Fair Trade Communities (FTC) scheme.** FTCs provide participating organisations with a set of guidelines, support and ideas to introduce fair trade to their workplace, school, faith group, university or council and recognises their achievement through issuing them with a certificate and promotional materials. There are currently 160 FTCs across Australia and NZ including one Fair Trade Council. Resources for Communities include a set of guidelines, a fair trade procurement guide and an online listing for participants.

**Local fair trade network groups.** Local network groups have been instrumental in organising FTF in Australia and are now coming together in NZ. The groups consist of a combination of members (particularly traders), businesses, licensees, students, community groups and interested individuals. FTAANZ provides opportunities for them to exchange information and regular meetings.

**Fair Trade Traders group.** This group was formed in November 2006 for FTAANZ members engaged in small scale trading of non-labelled products (mostly craft-type products) in response to a needs analysis survey of trading members which identified a number of issues including networking, marketing support and common branding. At a workshop for traders in February 2007 it was decided to investigate developing a set of fair trade standards which traders can adopt.

## SUPPORT PRODUCERS

The FTAANZ Producer Linkages Project, funded by ICCO, is a new direction for FTAANZ activities. The project started in January this year and a workshop in Bali took place in March. The workshop brought together regional producers and international fair trade organisations and experts to address the areas of improvement to boost fair trade in the Asia-Pacific region. The goal of the workshop was to gather information regarding needs and support for existing and potential producer groups in the region. The workshop identified the need for accurate and accessible information on fair trade and Fairtrade Certification to be available to producers.

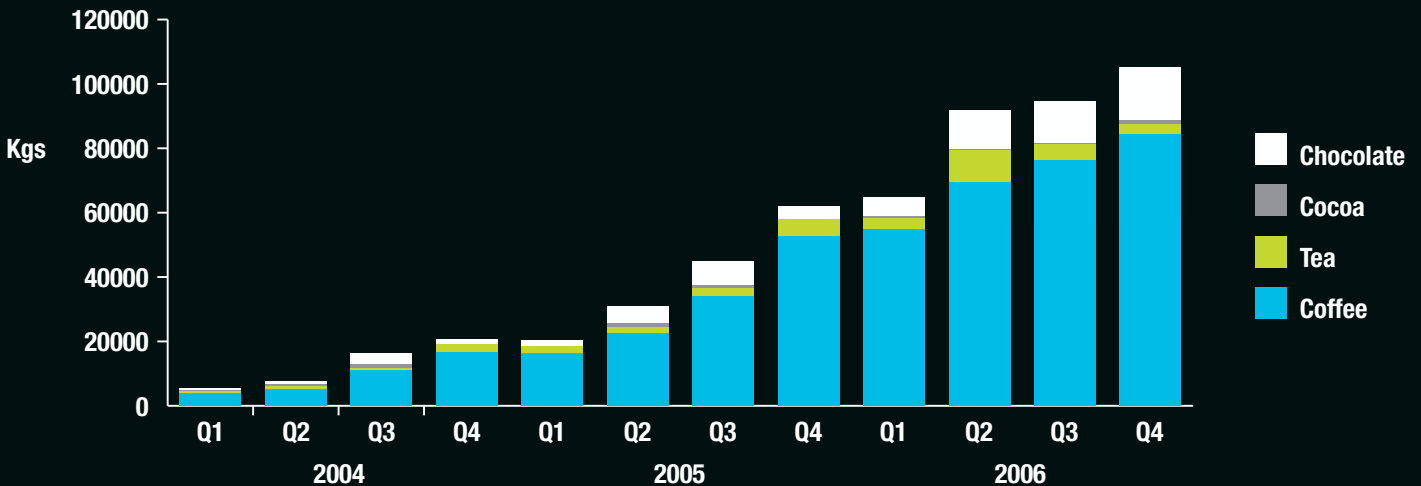
Plans for the project are threefold – Research and Assessments, Capacity Building and Training and drawing in Complementary Resources. A research project is underway to identify potential fair trade producers, products and markets. This will then extend into assessments of individual producer groups and the development of training resources to develop capacity to supply international fair trade markets. FTAANZ is working to draw additional funds and resources into the program to carry out these activities, while seeking partners in order to coordinate purchase commitments from buyers and training and capacity building activities.



# DEVELOP THE MARKET – THE FAIRTRADE LABELLING INITIATIVE

Fairtrade Labelling has had a very successful year. Sales of Fairtrade Certified and Labelled products have continued to grow dramatically in Australia and New Zealand. This year has seen the manufacture of Fairtrade Certified chocolate in Australia and New Zealand from Fairtrade Certified cocoa and sugar imported directly from producers in Latin America. Coffee is still the main product with imported volumes continuing to grow. Over 1200MT of Fairtrade Certified product was imported into Australia and New Zealand in 2006 and estimated retail sales in Australia and New Zealand were over AU\$11 million. This is an 85% increase on 2005 and a 760% growth on 2004. There are now 115 licensed wholesalers and 16 registered importers, all contributing to the increasing availability of Fairtrade coffee, tea and chocolate, particularly in supermarkets, organic and health food store and cafes.

## FAIRTRADE LABELLED SALES BY PRODUCT– AUSTRALIA AND NEW ZEALAND



FLANZ audit and certification systems were reviewed this year and new simpler application, product registration and reporting systems have been introduced with the system backed up by physical inspections.

Although a new member, FLANZ has a strong role within the international Fairtrade Labelling Organisations (FLO) and attended the General Assembly and Labelling Initiatives Assembly in Germany in June 2007. FLANZ is a full voting member and has contributed a new perspective to the current international debates on FLO governance and the direction of Fairtrade labelling. FLANZ is committed to supporting the development of FLO, its governance and decision making processes as a global democratic multi stakeholder organization.



# FINANCIAL REPORT 2006/07 (AU\$)

## FTAANZ

Current Assets	347,289
Non-current Assets	3,001
<b>TOTAL ASSETS</b>	<b>350,290</b>

Current Liabilities	332,211
<b>TOTAL LIABILITIES</b>	<b>332,211</b>

NET ASSETS	18,079
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TOTAL MEMBERS' FUNDS	18,079
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## INCOME STATEMENT - FTAANZ

Grant Income	188,997
Membership Fees	6,725
FLANZ Management Fee	50,000
Other Income	25,709
<b>TOTAL INCOME</b>	<b>271,431</b>

Wages & Salaries	82,448
Linkages Project	126,215
Fair Trade Fortnight	15,327
Other Expenditure	55,320
<b>TOTAL EXPENDITURE</b>	<b>279,310</b>

NET SURPLUS/DEFICIT	-7,879
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## FLANZ

Current Assets	99,284
Non-current Assets	-
<b>TOTAL ASSETS</b>	<b>99,284</b>

Current Liabilities	44,744
<b>TOTAL LIABILITIES</b>	<b>44,744</b>

NET ASSETS	54,510
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TOTAL MEMBERS' FUNDS	54,510
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## INCOME STATEMENT - FLANZ

License Fee Income	167,483
Other Income	1,627

<b>TOTAL INCOME</b>	<b>169,110</b>
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Consultants Fees	46,682
Management Fee	50,000
Other Expenses	38,896

<b>TOTAL EXPENSES</b>	<b>135,578</b>
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SURPLUS AFTER TAX	33,532
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## ALL OF OUR WORK COULD NOT HAVE BEEN CARRIED OUT WITHOUT OUR PARTNERS AND FINANCIAL SUPPORTERS.

We would like to thank our funders; Oxfam Australia, NZAID and ICCO, all have been supportive, patient and encouraging at various times over the year. We also wish to thank Trade Aid, Oxfam NZ, Oxfam Australia and Christian World Service NZ for their active support of fair trade. Thanks also to NZAID, Oxfam NZ and Trade Aid as partners in the very successful 'Promoting and Mainstreaming Fair Trade in NZ' Project. Thank you also to Australian Ethical Investment and Superannuation for awarding FTAANZ an Australian Ethical Community Grant.

