

FAIR TRADE ASSOCIATION OF AUSTRALIA  
AND NEW ZEALAND (FTAANZ)  
FAIRTRADE LABELLING AUSTRALIA AND  
NEW ZEALAND (FLANZ)

# ANNUAL REPORT 2008

FTAANZ & FLANZ have been working together since 2005 to alleviate poverty through trade by promoting and building the fair trade movement, supporting producers in the Asia-Pacific and developing the Fairtrade market in Australia and New Zealand. Our success has been measured not only by the growth of our support networks, campaigns and social engagement, but also by the increases in the range, availability and retail sales of Fairtrade Certified products. Ultimately our success is measured by the positive impact on poor and disadvantaged producers, their families and their communities, through Fairtrade's unique offer of a Fairtrade minimum price that provides enough for today and a Fairtrade investment premium that provides hope for tomorrow.

This is a joint annual report for the Fair Trade Association of Australia and New Zealand (FTAANZ) and Fairtrade Labelling Australia and New Zealand (FLANZ) covering activities in 2008 and includes financial reports from July 2007 to June 2008.



Guarantees  
a **better deal**  
for Third World  
Producers



# CHANGE TODAY CHOOSE FAIRTRADE

**Welcome to our 2008 Annual Report.** 2008 was a successful and exciting year of consolidation and growth for Fairtrade. In ANZ, sales of Fairtrade Certified products exceeded AUD32 million for the first time, representing a 72% growth on last year. Globally the market grew 22% to almost EUR3 billion. Not only was this one of the fastest growing Fairtrade markets in the world, we were also well represented within the FLO governance system. I was elected to the FLO International Board of Directors at the end of 2007 and Molly Harriss-Olson was elected in 2008 as an independent FLO Board member from Australia.

In 2008, the global Fairtrade Labelling system reached the conclusion of a 2 year strategic review process and began the implementation of a new business model for Fairtrade globally. The ambition of this plan is to strengthen, broaden and deepen the structure, scope and impacts of Fairtrade to reach more producers, in more regions, in more ways.

Faced with the deepest global economic crisis of our time, it is encouraging to see that Fairtrade is continuing to grow in all parts of the world. Our research and the evidence show that consumers continue to support Fairtrade even in the face of recession and reduced incomes. We as consumers realise that even if we are feeling the economic pinch, it is the poorest and most vulnerable in the world that are being hit the hardest. Now more than ever people need Fairtrade.

Thank you all for your ongoing support.

## Steve Knapp

Executive Director, FTAANZ & FLANZ

## COMBINED FINANCIAL REPORT FOR AUSTRALIA AND NEW ZEALAND 2007/8 (AU\$)

	FTAANZ	FLANZ
Current Assets	340,061	188,462
Non-Current Assets	3,119	–
<b>TOTAL ASSETS</b>	<b>343,180</b>	<b>187,456</b>
Current Liabilities	287,491	123,306
Non-Current Liabilities	2,318	3,661
<b>TOTAL LIABILITIES</b>	<b>289,809</b>	<b>126,967</b>
<b>NET ASSETS</b>	<b>53,371</b>	<b>60,489</b>
<b>INCOME STATEMENT</b>		
Grant Income	323,910	N/A
Membership /License Fees	20,800	349,113
Management Fee from FLANZ	25,000	N/A
Other Income	68,990	930
<b>TOTAL INCOME</b>	<b>438,700</b>	<b>350,043</b>
Wages & Salaries	269,730	176,664
FLO Fees	N/A	29,210
WFTO Membership	1,278	N/A
Management Fee to FTAANZ	N/A	25,000
Marketing, Promotions, Events, Office Expenses	100,610	109,054
Fair Trade Fortnight	23,787	N/A
Audits	11,088	8,946
<b>TOTAL EXPENSES</b>	<b>406,492</b>	<b>348,876</b>
<b>NET SURPLUS/DEFICIT</b>	<b>32,210</b>	<b>1,167</b>

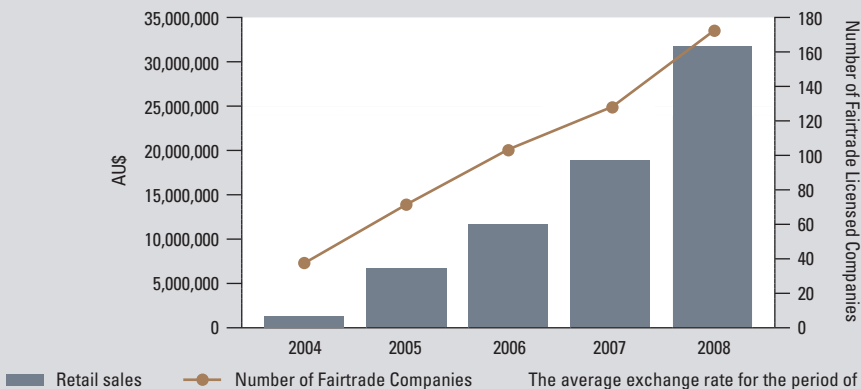
Left-right: Fairtrade Certified tea, courtesy of Fairtrade Media; Coffee producers, courtesy of Fairtrade Media; Kuapa Kokoo Cooperative, courtesy of Linda Broom



## ACHIEVEMENTS IN 2008

- Retail sales of Fairtrade Certified products increased by 72% between 2007 and 2008 to over AU\$32 million.
- The number of FLANZ licensed businesses increased to 167, a growth of 30% in 2008.
- Consumer recognition of the Fairtrade Label grew to 36% in New Zealand and 26% in Australia.
- The range of Fairtrade Certified products available in Australia and New Zealand expanded to include coffee, tea, chocolate and cocoa products, sports balls, rice, sugar, quinoa and cotton. Three recent introductions were nuts, muffins and cakes.
- Growth in the range of products available from mainstream retailers and suppliers (Coles; Corporate Express; Jamaica Blue; Jetstar; Virgin, Pacific and Polynesian Blue; Woolworths/Safeway, New World and more).
- Coffee remains the most purchased Fairtrade product making up 78% of retail sales.
- BP's 170 Wild Bean Cafes switched to 100% Fairtrade Certified coffee beans across New Zealand in June 2008 and Australia in July 2008.
- Growth of Fairtrade coffee imports from the Asia-Pacific region has more than doubled in 2008 to over 800 tonnes.
- FLO standards were extended to cover Small Island Developing States (SIDS) in South East Asia enabling Fairtrade to expand in the region.
- The number of Fair Trade Communities grew by 185% to 94 member communities, eg: workplaces, schools, faith groups and councils.
- Membership of FTAANZ grew by over 30% to 200.
- Fair Trade Fortnight 2008: The biggest yet. It also marked Australia and New Zealand's first national Fairtrade Coffee Break. 30,000 people took part in 1,170 Coffee Break events.

### FAIRTRADE RETAIL SALES AND NUMBER OF FAIRTRADE LICENSED COMPANIES IN AUSTRALIA AND NEW ZEALAND BETWEEN 2004 AND 2008



The average exchange rate for the period of July 2007 to June 2008 was calculated using data from the Australian Reserve Bank ([www.rba.com.au](http://www.rba.com.au)) NZ\$1 = AU\$1.2

## GOVERNANCE

FLANZ is a not-for-private-profit member organisation, and Income Tax Exempt Charity, overseen by a board elected by FLANZ member organisations – Oxfam New Zealand, Oxfam Australia, Friends of the Earth Australia and Christian World Services New Zealand. The board and membership of FLANZ are independent of any commercial interests in the use of the Fairtrade Label.

FTAANZ is a not-for-private-profit membership based association, governed by an Executive Committee elected every year during FTAANZ's AGM. FTAANZ membership is open to any organisation interested and supportive of fair trade principles.

## HIGHLIGHTS

FAIR TRADE  
FORTNIGHT 08  
3rd - 18th May



Clockwise from top left: Fairtrade Fashion Show at the BMW Edge, courtesy of Audrey Jacometti; Fairtrade coffee at Macquarie University, courtesy of Audrey Jacometti; BP's Fairtrade tram, courtesy of Audrey Jacometti; Fairtrade football in Nelson, NZ, courtesy of Nelson Fairtrade Group; Fair Trade Fortnight, courtesy of Dunedin Fairtrade Group; Just Action Fair Trade Bazaar at Victoria University, courtesy of Wellington Fairtrade Group.

## FTAANZ

FTAANZ fosters and promotes a common understanding of fair trade and facilitates the growth and development of the fair trade movement. FTAANZ promotes the two internationally recognised systems of fair trade – Fairtrade Labelling Organizations International (FLO) and the World Fair Trade Organisation (WFTO).

FTAANZ's work is divided into three key areas in order to build the fair trade movement:

1. Increase awareness, understanding and support for fair trade.
2. Support the development of a strong and sustainable fair trade movement.
3. Link producers in South East Asia and the Pacific with fair trade markets.

## FLANZ

FLANZ is a full and active member of Fairtrade Labelling Organizations International (FLO) and has the sole right to license the use of the international FAIRTRADE Label in Australia and New Zealand. FLO sets the international standards for Fairtrade and governs the use of the FAIRTRADE Label worldwide.

FLANZ's work is divided into three key areas in order to grow the Fairtrade market:

1. Promote, position and protect the FAIRTRADE Label.
2. Increase the range, availability and sales of Fairtrade Certified and labelled products.
3. Provide effective licensing, labelling and certification services.

## A BIG THANK YOU

To our Donors & Supporters: Oxfam Australia, Oxfam New Zealand, World Vision, Christian World Service, NZAID, ICCO. And to all our members, licensees, traders and consumers for choosing Fairtrade to help tackle poverty and empower producers in developing countries around the world.

## CONTACT

Queries on the content of this report can be addressed to [info@fairtrade.com.au](mailto:info@fairtrade.com.au) or [info@fairtrade.org.nz](mailto:info@fairtrade.org.nz)

For more information please visit [www.fairtrade.com.au](http://www.fairtrade.com.au) or [www.fairtrade.org.nz](http://www.fairtrade.org.nz)