



Streetaction in Poznan, Poland © Polish Fair Trade Association

# Portraits of pioneers

## Fair Trade in Eastern Europe

**Nearly 25 years after the fall of the Wall and the rushed transition to a free market economy, fair trade products are gradually finding their way to consumers in Eastern Europe. Step by step, with limited resources but with great enthusiasm, an ever-increasing group of activists is working on the path ahead.**

### Opportunities for fair trade

In 2010, a good five years after the first fair trade initiatives in the country, a Polish consumer movement published a survey of the purchasing behaviour of department store customers. 77% of answered that they did not know the fair trade concept. 90% did not recognise the Fairtrade logo. But 65% indicated to be prepared to pay more for products that were guaranteed to be fairly produced and traded.

These figures picture the obstacles that fair trade faces in Eastern Europe: a public not familiar with the concept, a large group who are not particularly well-heeled, and a lack of strong NGOs. Their resources are also limited.

But at the same time the 65% figure reveals the opportunities for fair trade: a growing urban, highly qualified middle class with increasing attention for social and ecological problems, and a younger generation discovering its power as consumers who tend to follow (Western) trends, particularly if offered in trendy bars and shops.

### Similarities and differences

The differences between Eastern European countries are large: The Czech Republic is clearly the front runner, followed by Poland. Elsewhere fair trade initiatives are much smaller.

The similarities between Eastern European countries are more conspicuous. The pioneers are often active in consumer movements and ecological NGOs. Their priority is making the public familiar with the concept. This is why the annual World Fair Trade Day in May provides the ideal stage for various campaigns. It offers the opportunity to join up with a worldwide movement. A variety of organisations are members of the World Fair Trade Organisation (WFTO) and make use of the campaign material on offer.

Another parallel: most organisations do not have the resources to directly import products and turn to cooperation with Western European organisations. Cross-border projects financed by European money often provide extra mo-

mentum. In the first place there is the Fair Trade Towns (FTT) concept that is being eagerly taken on board in the Czech Republic and Poland. Aware&Fair is a project involving local answers to the Millennium Development Goals through partnerships with Transfair (Germany), the Polish Fair Trade Association and the municipalities of Hannover (Germany), Blantyre (Malawi), Poznań (Poland) and Litoměřice (Czech Republic). *Enlarging Fair* concerns cooperation between eight NGOs from Italy, Malta, Slovakia, Slovenia, Hungary and the Czech Republic.

## The Czech Republic

The oldest and largest fair trade market in Eastern Europe is the Czech Republic. The Christian NGO **Ecumenical Academy Prague** (EAP) was already looking for alternatives for *free trade* as early as 1995 before embracing fair trade. Volunteers from Prague Protestant parishes opened Jeden Svět (One World), the first small shop to also sell fair trade products. Besides focusing on education and information, in 2003 the organisation also became the first wholesaler in fair trade products.

The year 2003 also saw the launch of *Společnost pro Fair Trade*, now known as **NaZemi**, in Brno. Volunteers enjoyed the support of personnel, and the educational work soon extended to the organisation of world shops and points of sale. Initially the products chiefly came through the Italian Commercio Alternativo, but the group also invested in direct contacts, for example with the Indian crafts producer MESH. In 2013 NaZemi manages eight world shops, an e-shop and its own coffee brand, which is roasted in the Netherlands.



Nazemi worldshop © Nazemi

In 2004 both organisations set up an umbrella organisation, the Asociace pro fair trade of the **Czech Fair Trade Association** (CFTA). After years of negotiations with FLO, in 2009 it became the first national quality label organisation in Eastern Europe. FLO supplies the licences from Bonn, while the CFTA takes responsibility for the promotion and marketing in the Czech Republic and for the control of the brand and logo use. CFTA presently has nine member organisations including several new companies. Miko Coffee, for example, markets fair trade coffee under the name Puro. The company concentrates on coffee-makers and a professional service mainly for companies and the catering trade. Mamacoffee is a smaller company grown from a love for Ethiopia and high quality coffee. With its own roasting house in the Czech Republic it was the first concern to import, process and sell fair trade coffee.

Up until 2008 fair trade products were chiefly sold in world shops and shops selling organic food. But in the meantime large **retailers** such as Kaufland, Marks & Spencer, Tesco,

Interspar, Tchibo and Starbucks have also jumped on the bandwagon. "Altogether the turnover of labelled products accounted for a value of 113 million CZK (€ 4.4 million) in 2005," according to Hana Chorvathova from the CFTA. "That is an increase of 23%, despite the crisis. As a comparison: in 2005 the turnover amounted to three million CZK, in 2009 this had increased to 50 million CZK. 67% of the turnover comes from coffee. Thanks to retailers, fair trade is gradually expanding beyond its primary target group of young, alternative people." CFTA made these figures known on the eve of the 2013 World Fair Trade Day, with fair breakfasts being organised in 80 places in the Czech Republic.

An extra impetus came from the **Fair Trade Towns** campaign. In April 2000 the small British town of Garstang declared itself the world's first FTT, the start of local initiatives worldwide. The criteria are not to be underestimated: the local authority declares to support fair trade, products are for sale in shops, the catering trade, schools, associations, and companies are committed to the cause, and local media covers the topic. At the start of June 2013 the counter was up to 1,336 FTTs in 24 countries, including four towns in the Czech Republic: Litoměřice, Vsetín, Volyně and Český Krumlov.



Invitation to a fair breakfast, WFTDay in The Czech Republic

## Poland

In neighbouring Poland activists are doing their very best to follow in the Czech Republic's footsteps. In 2003 in Gdańsk a group with church roots set up the organisation *Trzeci Świat / My* (the third world and us), now known as the **Polish Fair Trade Association** (PFTA). After launching a number of successful activities in 2006 with the assistance of Germany's Transfair, they set up an internet shop and encouraged some ten shops and catering establishments to sell or offer fair trade products. Together with FLO they also take responsibility for the legal registration of the quality label in Poland.

The group soon gained an eager following: students and young people in Warsaw (eFTE), ecologists in Kraków (Polska Zielona Sieć) and anti-globalists (Alan Turing Foundation) in Wrocław.

In 2009 nine organisations together set up the **Polish Coalition for Fair Trade**. They coordinate the activities for World Fair Trade Day: publications, picnics, markets, workshops, lectures, concerts and film screenings. On the occasion of the 2009 European elections they urged politicians to speak

up for fair trade. Twenty-three candidates signed the declaration, with five being elected. In 2010 John Kanjagaile from the Kagera Cooperative Union in Tanzania was the first producer to come and tell his story to the volunteers.

In 2013 PFTA supplies approximately 400 points of sale across the whole country. The products usually arrive through Transfair or El Puente. In 2012 all this good work accounted for a turnover of €600,000. And **retailers** are also discovering the market. At Tesco the products are not always identifiable as fair trade, but Marks & Spencer widely publicises its fair trade range. The biggest player is at present undoubtedly Orlen, a chain of filling stations offering fair trade coffee in its shops. For now, the coalition is still too weak to become a national quality label organisation in the Czech way, but this is indeed the aim.

International cooperation ties are also presenting new opportunities in Poland. The Aware&Fair project makes **Poznań** a forerunner. The municipal council is siding with the project, tens of shops and catering establishments are on board, and at the university and schools students are discovering what *sprawiedliwy trade* is. A media campaign involved various television and radio stations, and on 6 December 2011 PFTA opened the first Polish world shop in Poznań. All conditions were then met, and the city became the first Fair Trade Town in the country.



WFTDay in Gdansk © Polish Fair Trade Association

## Hungary

The pathway in Hungary is comparable, but on a much smaller scale. Around the turn of the century the ecological NGO **Védegyilet** (Protect the Future) was the first to swing into action. At their *ökofeszt* in 2005 they substituted the famous slogan 'Another world is possible' with 'Another trade is possible'. Hundreds of activities were organised in the larger towns and in schools to explain the fair trade concept to Hungarians.

In 2006, 11 local groups and NGOs joined up in the **Fair World Association**. One enormous boost was the then president László Sólyom lining up behind organic and fair food, and officially offering fair trade coffee in his palace.

But the Hungarian story has its ups and downs. In 2006 a first world shop opened in Budapest, but only for a year. The enthusiasm is there, but the groups are small and the resources limited. Miskolc was briefly a Fair Trade Town candidate, but the new right-wing mayor torpedoed the project. "We do not make a turnover," summarises Györgyi Újszászi, a pioneer at Védegyilet and in the coalition. "But there are more and more organic and other shops offering fair trade

products. We have invested much in educational material for schools and young people - they are the future of our movement. And fortunately Budapest has recently gained a true world shop again: Vilagbolt!"



Vilagbolt, recently opened worldshop in Budapest © Újszászi Györgyi

## Slovakia

Slovaks have already been able to buy fair trade products from certain organic shops and cafés for several years, chiefly from German and Austrian importers. Small organisations such as **Fairtrade Slovakia** do what they can to bring fair trade to the attention of a wider public. The pioneer in Slovakia is Allan Bussard, director of **Integra Foundation**, the local branch of the international Christian NGO Integral Alliance. He came into contact with fair trade through development projects in East Africa. In 2005 he set up Ten Senses, a company that was the first to succeed in directly putting a fair trade product on the Eastern European market. Macadamia nuts from Kenya heralded the import and processing of high quality coffee originating from the Oromia Coffee Farmers Cooperative Union in Ethiopia. This 'coffee with a story' is marketed under the brand name Samay.



Macadamia nuts from Kenia. Picture 10Senses

## Slovenia

The story in Slovenia starts with the NGO **Humanitas**, which in 2002 tried to sell crafts from Burkinabe women's groups. In 2004 it joined forces with **Umanotera**, an NGO working on sustainable development, and opened the first Slovenian world shop, **3MUHE**, in Ljubljana. The food products are mainly supplied by the Austrian EZA and the Italian CTM. In 2008 both organisations set up the **Odjuga** cooperative to expand the number of points of sale and approach retailers.

## The Baltic States

In Estonia, Latvia and Lithuania it is mainly the Finns who are trying to push fair trade. The Finnish FLO quality label organisation supports start-up campaigns, mainly in Estonia, and issues licences for the three countries. At present there are no local companies yet with labelled products on the market, just international retailers.

## The Balkans

The initiatives in Croatia and Bulgaria are still very rudimentary. Romania recently acquired a first world shop with Koala Fairtrade. In Serbia it was doctorate student Filip Brkovic who took the first initiatives to bring interested parties together.

"The first fair trade products were introduced in the Balkans by international retailers. This was a first in Serbia, Montenegro and Bosnia for Delhaize. Interesting detail: the sales staff in the shops is usually not aware of this!" But still Filip Brkovic is optimistic: "The seed has been sown, with more and more people becoming interested in the concept every day. Sooner or later this will result in activities from volunteer groups. Give us a few more years and you will also see world shops appearing in the Balkans."

**"There is movement, but there is still a great deal to do", concludes Tadeusz Makulski of the Polish Fair Trade Federation. "The problem is that Eastern Europe has no tradition of grass roots movements.**

**Everything always came from above. If we want to make fair trade a success, we must continue to concentrate our efforts on training volunteers, on fair trade schools and universities and on action on the street. In short, on building a movement."**

## Eastern European producers?

So far we have only discussed consumers in Eastern Europe. Filip Brkovic's doctorate has another line of reasoning: the opportunities for disadvantaged groups in the Balkans to be recognised as fair trade producers. "You mustn't forget that the per capita GDP in Chile, Mexico or Argentina is twice that of the Balkan countries. So I see no reason why certain groups here do not deserve development opportunities through the principles of fair trade.

The problem lies in the strict FLO rules that at present do not allow certification for the Balkans. Without certification the chance of getting a foothold in Western Europe is very small. Producers of arts and crafts products are not confronted by this problem because FLO does not operate in this field and the WFTO does not exclude any regions. You can see the significance of this with Bosnia's BHCrafts. The organisation was started up after the civil war with Norwegian assistance, and 15 years later has become an important project in the region. The crafts find their way to Europe, the United States and Japan through fair trade and other channels."



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