



FAIRTRADE LEADING THE WAY

Fairtrade Labelling Organizations International

Annual Report 2008-09





Rob Cameron, CEO of Fairtrade Labelling Organizations International (FLO), speaks at the 10th Annual World Export Development Forum 2008 organized by the International Trade Center.

Welcome to our 2008-09 annual report in which we highlight the progress we have made to strengthen the position of producers in this most challenging environment, and to adapt Fairtrade to the global market in which we now operate.

Strengthen, Broaden and Deepen Fairtrade

These two measures are the major features of Fairtrade's new global strategy. We are taking a bold and ambitious approach to strengthen, broaden and deepen our impact and improve our effectiveness in the struggle against poverty.

2008 was a year like no other and it is to be hoped that we will never see another like it in our life times. The financial crisis is reported to be the worst since the 1930s and maybe even worse than that. Now, in the late spring of 2009, we hear hopes of a recovery – a recovery that is badly needed by us all, especially the producers in the developing world who have been so hard hit by the consequences of the crisis.

In such circumstances, the need for Fairtrade is greater than ever. The impact on producers in the South can be so much more threatening.

A Year of Growth

In any crisis, working together is the key to survival. We intend to lead the way by working more closely with producers, traders, business partners, governments and others for the benefit of producers worldwide.

We have much to be proud of in 2008. Despite the difficulties of the year, sales of Fairtrade products grew by an impressive 22%. This growth, coupled with the coordinated Fairtrade donor consortium which became fully operational in 2008, means that our financial position is stable and robust.

During the latter part of 2008 we conducted the largest ever survey of consumer attitudes to Fairtrade and ethical labeling. This in-depth survey of 1,000 consumers in each of 15 countries shows the strength of support for our work and the sound platform upon which we can build for the future.

Such success is due to the dedication of the FLO staff and management and I must thank each and every one of them in Bonn and out in the field. And our Board, including the producer representatives, has continued to offer the support and guidance that we need. I am grateful to all for their commitment.

And finally, at the end of 2008, after three years of dedicated service, Barbara Fiorito, our Board chair, stood down as her term of office expired. Barbara was, and continues to be, a tireless campaigner for Fairtrade and trade justice. I warmly thank her for her immense contribution to Fairtrade and her leadership through a time of great change. We all owe her a debt of gratitude and we look forward to her continuing friendship.

Thank you for reading and your continued support for Fairtrade and the principles we stand for.

Rob Cameron
Chief Executive Officer

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Photo - Eduardo Alvarez Bluhm

THE LEADER IN FAIRTRADE

The vision of Fairtrade is of a world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future.

Fairtrade Labelling Organizations International (FLO) works to help alleviate poverty by providing leadership, tools and services that enable producers to benefit more from their labour.

Banana packing station of one of the members of the Fairtrade producer organization El Guabo in Ecuador.

Global strategy in place

The new global strategy for Fairtrade is designed, above all, to scale up the benefits for producers. After a year of development and consultation with stakeholders, the new strategy was approved by the Fairtrade General Assembly in December, 2008.

Ambitions for the new strategy

Fairtrade's new strategy is bold and ambitious, and it will bring lasting benefits. Its overall objectives are to strengthen, broaden and deepen the Fairtrade system. The implementation plan will do this through:

An introductory pamphlet on the new global strategy for Fairtrade, called *Making the Difference*, is available on the FLO website: www.fairtrade.net

- A unified approach to international markets
- Global positioning for Fairtrade products
- Producer empowerment
- Introducing new producers and products and encouraging diversity
- New partnerships



Photo - Mälin G. Kündel

FLO leaders in Bonn from left to right: Louise Luttkholt – Director of Strategy and Policy / Kimberly Easson – Director of Producer Services and Relations / Rob Cameron – CEO / Tuulia Syvänen – Chief Operating Officer / Andreas Kratz – Standards Unit Director / Not pictured: Simon Hunt – Director of Finance and Central Services.

Fairtrade sets the standard

One of the most important objectives for Fairtrade's new strategy is to enable more producers to benefit. In 2008 we introduced new and revised standards to expand the range of Fairtrade products, enabling more producers to enter the system.

New and revised standards

In 2008, new standards were ratified for olives and olive oil, and for soybean and other pulses such as haricot beans, chickpeas and lentils. Several revised standards allowed more farmers of mangoes, bananas, pineapple and vanilla to enter the system for the first time.

Innovative new standards for small producers' organizations give them more control over improving their livelihood – for example, enabling them to prepare their own development plans.

Greater transparency in standards

A new set of generic trade standards provides harmonized standards for all traders, ensuring greater transparency and trust among the public.

Fairtrade standards are set in accordance with the requirements of the ISEAL* Code of Good Practice for Setting Social and Environmental Standards.

* ISEAL is the International Social and Environmental Accreditation and Labelling Alliance.



Photo – Nicolas Gauthy

A child enjoying a school lunch at a program supported by Fairtrade premium money from the sale of Fairtrade bananas at the organization, Bananos Ecologicos de la Linea Noroeste (Banelino) in the Dominican Republic.



Fairtrade growers picking olives in Jenin, West Bank.



The Palestine Fair Trade Producers Company (PFTPC) is the first cooperative to be Fairtrade certified for olive oil.

Olive oil production provides many Palestinian farmers with as much as 50% of their annual income.

It also prevents the abandonment of land and spreading desertification.

PFTPC, based in Jenin, West Bank, has a membership of about 265 farmers, but the aim is to bring as many as possible of the area's 1,700 growers into the Fairtrade system.

Fairtrade prices

The minimum price paid to Fairtrade producers is determined by the Fairtrade standards. This price acts as a safety net for farmers at times when world markets fall below a sustainable level.

Most members of Ankole Coffee Producers Cooperative Union in Uganda are subsistence farmers. They are self-sufficient in food and sometimes have enough surplus to sell into the market. Coffee prices are notoriously volatile, making planning ahead difficult for growers, but the Fairtrade price the Ankole farmers get for their coffee means that, relatively speaking, they are prospering. John Nuwugaba, chair of the Union, explains: "Fairtrade gives us a guaranteed price whatever happens. This means more consistent income. Farmers can conduct their business better by planning ahead."

The Fairtrade Premium

The Fairtrade Premium is an additional sum of money that goes into a communal fund for workers and farmers to improve social, economic and environmental conditions. The use of this additional income is decided upon democratically by producers in the farmers' organization, or by workers in a joint body. Typical uses include improvements to infrastructure, schools, healthcare and the quality and methods of production.

Partnerships with more producers



Many of the biggest chocolate companies worldwide, such as Cadbury (UK and Ireland), Verkade (Netherlands) and Toms (Denmark) made significant new commitments to Fairtrade this year.

Fairtrade cocoa is grown by 16 certified cocoa producer organizations representing over 50,000 cocoa growers in 15 countries including Belize, Bolivia, Colombia, Costa Rica, Dominican Republic, Ecuador, Ghana, Haiti, India, Indonesia, Ivory Coast, Nicaragua, Panama, Peru and Sierra Leone.

A Fairtrade producer at the cooperative Conacado in the Dominican Republic raking Fairtrade organic cocoa beans as they dry.

Encouraging environmental sustainability

FLO has stringent environmental standards for all producers. The use of genetically modified organisms (GMO) is prohibited. Likewise, certain pesticides are banned from use.

FLO's Generic Standards documents for small farmers and for hired labour situations detail a number of environmental development requirements. Producers must adhere to these requirements in order to receive and retain Fairtrade certification.

These documents also include a general outline of what is expected in the area of environmental development. Fairtrade producer structures must be committed to:

- Protecting the natural environment
- Making environmental protection part of farm or company management
- Developing, implementing and monitoring an operational plan which balances environmental protection and business results*
- Minimizing the use of synthetic and other off-farm fertilizers and pesticides
- Minimizing the use of energy, particularly from non-renewable sources.

Furthermore, FLO encourages small producers to work towards organic practices where socially and economically practical. In 2008 over 48% of Fairtrade certified coffee was also certified as organic.

* The Standards state that this includes specifically '... crop rotation, cultivation techniques, crop selection, careful use of inputs such as fertilizers and pesticide and, as relevant, shade protection.'

FLO directly helps producers to gain Fairtrade certification and to access the growing market for their Fairtrade certified products worldwide.

Liaison Officers

Liaison Officers around the world offer information, advice and training to producers, helping them comply with Fairtrade standards and seize new market opportunities.

Liaison Officers also relay product and regional information to FLO, to help anticipate market demand and the needs of producers.

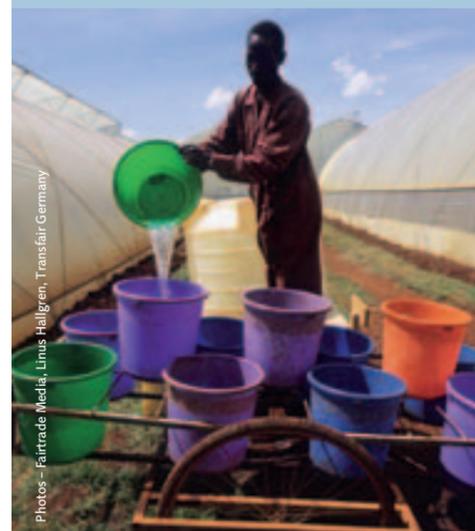
Support

Our support for producers in 2008 has already shown fruit – there have been 474 new application requests to the Fairtrade system in the last 12 months. Meanwhile, existing producer groups are now better prepared to meet on-going certification requirements.

Our Producer Services and Relations Unit (PSR*) supports producers:

- Providing training in local languages
- Offering guidance on certification requirements
- Working with producers to gain access to new markets
- Facilitating relationships with buyers

* Formely PBU

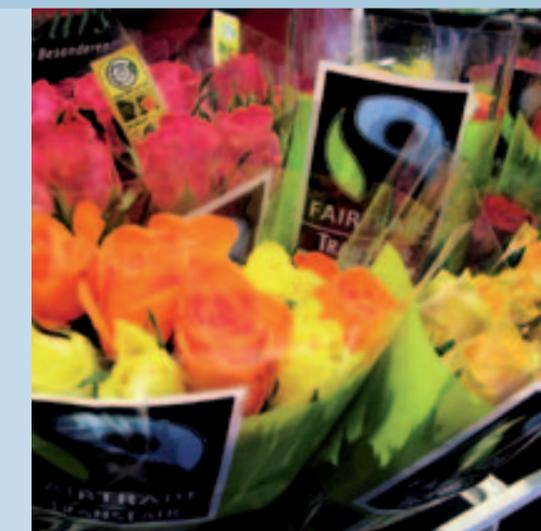


Working at Fairtrade certified flower nurseries on Lake Naivashan in Kenya and bunches of Fairtrade roses on sale in a German supermarket.



Growing flowers requires a lot of water, a precious resource in Kenya where distribution is uneven.

Fairtrade minimum standards require certified farms to protect the nearby water supply, and many certified farms



go beyond this minimum – for example, several harvest rainwater or drill boreholes for use by local communities. And all Fairtrade producers are committed to reducing their use of pesticides and insecticides, to minimize pollution.



Photo - Eric St. Pierre

Consumers demand Fairtrade

Almost three quarters of shoppers expect companies to be more accountable and fair in dealing with producers in developing countries.

Opportunity for growth

The first ever global consumer survey on Fairtrade was conducted in 2008 and found that half of the public are now familiar with the FAIRTRADE Mark. Of these consumers, nine out of ten trust the label and nearly two in three believe that Fairtrade has strict standards. Almost three quarters of shoppers believe independent certification is the best way to verify a product's ethical claims.

The survey showed the opportunity for huge growth in Fairtrade. It found that 'active ethical consumers' make up more than half the population (55%) in the countries surveyed.

These shoppers have high expectations of companies' social, economic and environmental responsibilities. Their shopping habits and decisions tend to reward (or punish) companies that meet (or do not meet) their expectations, and they influence others with their opinions. They represent the market for Fairtrade.

This research, backed by focus group testing in seven countries, has informed creative concepts that will help to position Fairtrade strongly with its target audiences. Fairtrade's new positioning will be introduced in the second half of 2009.

SUPPORT GROWS FOR FAIRTRADE

The FAIRTRADE Certification Mark (or, in North America, the Fair Trade Certified™ label), is the primary tool for linking consumers to the farmers and workers who benefit from Fairtrade. Its use on packaging indicates to consumers that the product they are purchasing has been produced in accordance with Fairtrade standards.

Fairtrade's consumer survey in fifteen countries marked the first step toward the development of a global positioning for Fairtrade. A unified look, message and tone of voice will be critical to future success in the global market.

The global consumer survey on Fairtrade was carried out by GlobeScan with a sample size of 15,000 consumers in 15 countries.



From picking to the bottle, Fairtrade wine is produced in Argentina, Chili and South Africa. Here a worker at a Fairtrade winery in Chili. Opposite page: Fairtrade certified wine from South Africa.

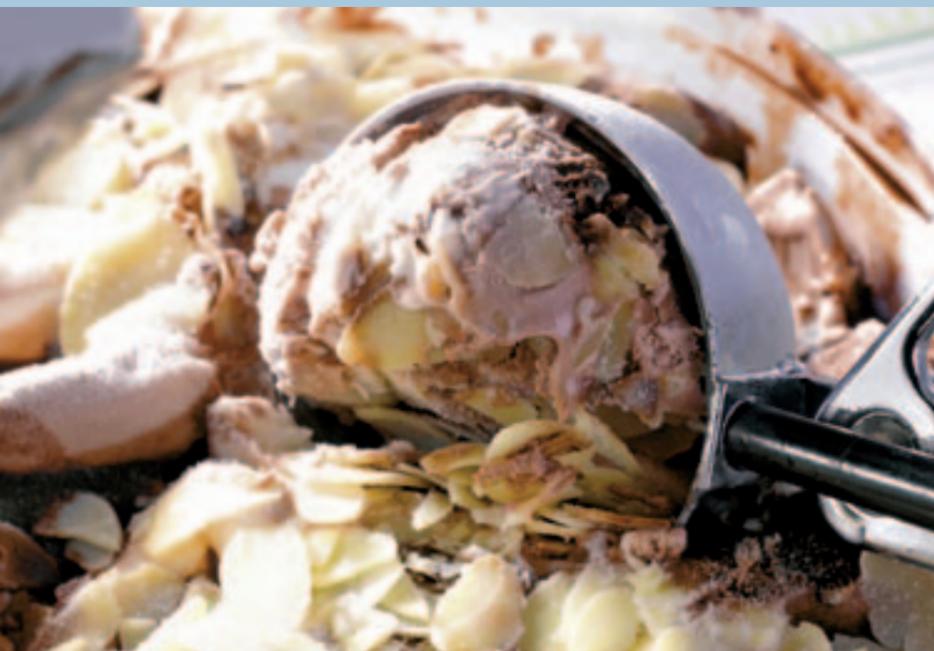
Global companies commit to Fairtrade

The goal of Fairtrade is to demonstrate a different way of doing business. We are proving that Fairtrade works on a small and large scale and that it makes sense for major companies too.

Commitments announced in 2008 mean that more producers will benefit. In October 2008, Starbucks and FLO announced a groundbreaking initiative to support coffee farmers. The coffee house giant is committed to doubling Fairtrade purchases in 2009 and offering 100% Fairtrade espresso in the UK and Ireland.

Similar monumental commitments and partnerships were penned in 2008 with Cadbury, Ben & Jerry's and Candico sugar. A writer for the Financial Times commented, 'Cadbury has decided its interest lies in long-term relationships with suppliers who earn a decent living. I suspect it will not be the last company to reach that conclusion.'

A vast range of Fairtrade certified products is now widely available in mainstream outlets, major super markets and transnational coffee chains. This means that, in these tough economic times, consumers can choose between brands while still remaining loyal to Fairtrade.



One of Ben & Jerry's Fairtrade flavours, Chunky Monkey, made with Fairtrade ingredients.

Ben & Jerry's has been involved in Fairtrade since 2006, when it launched the world's first Fairtrade vanilla ice cream. Since then the company has continued to increase its commitment by extending its range of Fairtrade ingredients and flavours.

Their latest initiative is a 'Do the World a Flavour' contest, where fans are invited to use Fairtrade ingredients to invent a new Ben & Jerry's flavour, with the winner receiving a trip to a Fairtrade certified cocoa farm.

Ben & Jerry's sources its Fairtrade ingredients from numerous cooperatives around the world, including bananas from Ecuador, vanilla from India and coffee from Mexico.

Global partners work with Fairtrade



Testing Fairtrade certified coffee for supreme quality at a cooperative in Costa Rica.

Partner highlights in 2008

- Together with our fair trade partners, like World Fair Trade Organization, we developed a Charter of Fair Trade Principles. This document serves as a statement of the values that guide our work. It includes our common vision, definition of fair trade, core principles and our distinct approaches to fair trade.
- FLO was represented among over 250 of the world's leading trade policy and business experts in Montreux, Switzerland for the 10th Annual World Export Development Forum 2008, organized by the International Trade Center (ITC).
- The Fair Trade Advocacy Office (FTAO) in Brussels (representing FLO, IFAT, EFTA and NEWS!) continues to lobby successfully for a comprehensive European Commission policy that supports fair trade.
- FLO and the Alliance for Responsible Mining decided to work towards an agreement of standards for Fairtrade certification of gold during 2009.

Donor partners worldwide

- 2008 saw the formation of a consortium of four government and major donors: Swiss State Secretariat for Economic Affairs (SECO), the UK Department for International Development (DfID), the Inter-Church Organisation for Development Cooperation (ICCO) and Irish Aid. The backing of this group has secured essential funding to enable the implementation of the new global strategy.
- Donations from Hivos (the Humanist Institute for Development Cooperation) are enabling us to develop a Quality Management System to improve the market access of low-income producers.
- An ICCO (Interchurch Organisation for Development Co-operation) funded project will improve social compliance in the textile supply chain of Fairtrade certified cotton.
- EED (German Development Service) and MISEREOR (the overseas development agency of the Catholic Church in Germany) are funding a project on strengthening capacities in producer regions.



Starbucks's new commitment to Fairtrade will make a lasting difference to millions of coffee farmers.

Certification

While FLO sets the standards and supports producers in meeting them, a separate certification company, FLO-CERT, regularly inspects and certifies producers and traders against the standards.

Grassroots spread the word about Fairtrade

Fairtrade's loyal, dependable and global supporter base is responsible for its success in the market today. According to the GlobeScan survey, 32% of people learn about Fairtrade through family, friends and work colleagues, while 16% hear about it through education, community and faith groups.

Grassroots movement

The grassroots movement has built up solid support for Fairtrade. As a result of their efforts, global brands see Fairtrade as an important part of their strategy for the future. In 2008 people around the world became ever more creative in their efforts to spread the word about Fairtrade.

Fairtrade Weeks

Fairtrade Weeks campaigns in 2008 brought a frenzy of activity for campaigners, retailers, businesses, media outlets and Fairtrade Labelling Initiatives*. The celebrations inspired an incredible array of events, including a record-breaking banana-eating festival with over 470 000 participants in the United Kingdom and Ireland, TV commercials in Austria and Norway, Fairtrade producer tours in Ireland, Sweden and the United Kingdom, sports activities in Spain, Fairtrade product tastings in Sweden and Austria, a photo exhibition in Japan, and much more.

* Fairtrade Labelling Initiatives are the national Fairtrade organizations.



Fairtrade volunteers promoting products at a local supermarket.



Marigold dance troop performs for Finland's 10 year anniversary celebrations.



Fairtrade Banana Day we celebrated in many countries around the world.

Campaigns

This year, innovative campaigns introduced Fairtrade to new audiences worldwide. Young people distributed 250 000 chocolates to households across Canada and the United States for the Reverse Trick-or-Treating campaign. In Luxembourg, Fairtrade chocolate was celebrated in a three-week Chocolate

Campaign. Italy's 'Io faccio la cena giusta' brought Fairtrade products to the dinner table. A brightly coloured tram advertised Wild Bean Cafes' switch to 100% Fairtrade coffee in Melbourne, Australia. In Austria, the Fiesta Afrika celebrated Fairtrade cotton products with a celebrity fashion show and

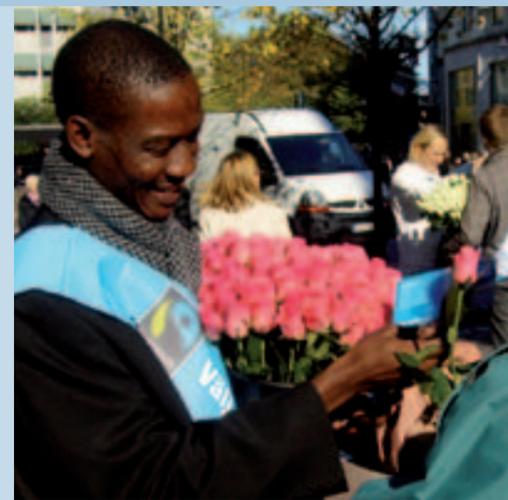
concert. The Roskilde music festival in Denmark served only Fairtrade coffee, which the US House of Representatives also drink thanks to Pura Vida Coffee. In Finland and Luxembourg, Fairtrade Labelling Initiatives celebrated their 10 and 15 year anniversaries.



Saarbrueck celebrates its status as the first Fairtrade Town in Germany



The Fairtrade tram in Melbourne, Australia



A Fairtrade rose producer from Kenya distributes roses on the streets of Stockholm

Fairtrade Towns and beyond

The success of the Fairtrade Towns campaign continues to grow. By April 2009 there were over 650 Fairtrade villages, towns, cities, and regions worldwide. There are now active campaigns in 18 countries, including the UK with over 450 Fairtrade Towns, Belgium with 60% of Flemish districts participating, and Brazil with the first Fairtrade Town in the South. In October

2008, London became the largest Fairtrade City yet, joining the likes of Rome, San Francisco and Brussels.

Fairtrade Towns must attain at least five core goals which increase Fairtrade awareness and availability by engaging local councils, businesses, schools, faith groups, workplaces and media. This has inspired spin-off campaigns such as

Fairtrade Schools, Fairtrade Churches, Synagogues and Mosques, and Fairtrade in the workplace.



Photo - Eric St. Pierre

FAIRTRADE REACHES MORE PEOPLE

Fairtrade is present in over 110 countries worldwide and works with thousands of organizations representing millions of people. In unstable times like now, FLO's global presence provides essential opportunities for producers and consumers to alleviate poverty.

A Fairtrade producer working to wash and sort Fairtrade tea in India.

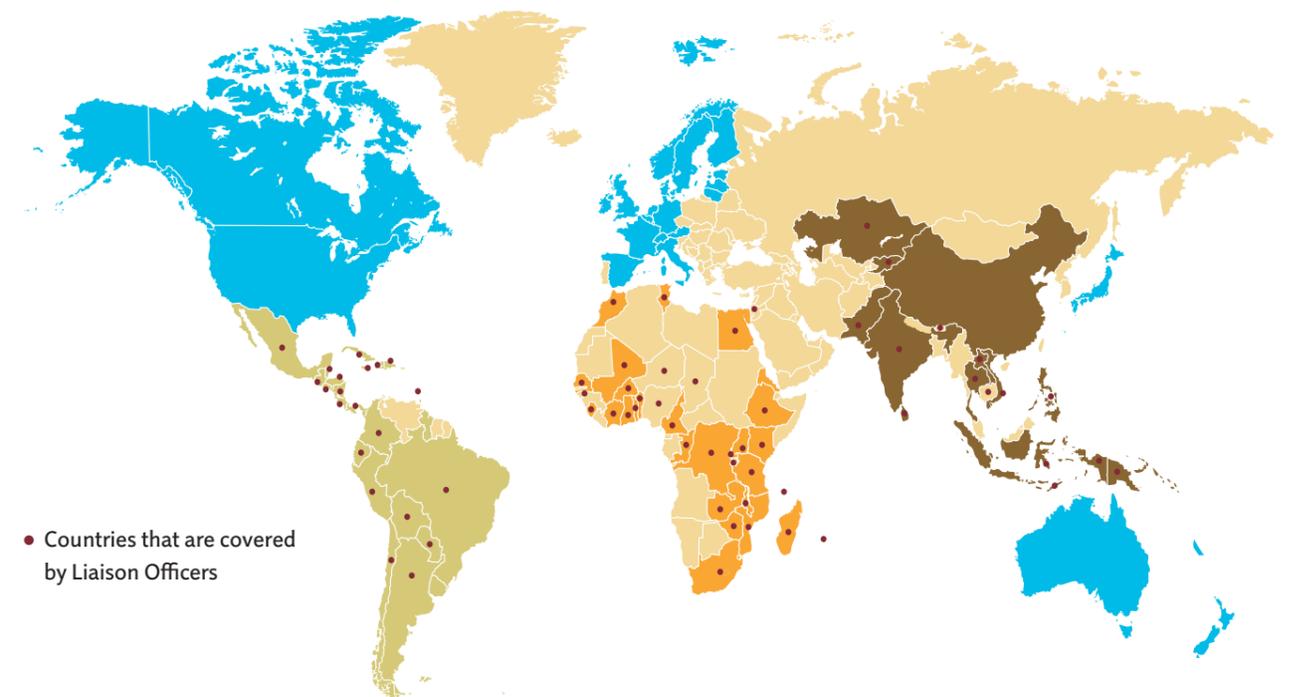
Global presence of Fairtrade

Producers and consumers worldwide

Fairtrade producer organizations have been certified in 59 developing countries, while Fairtrade certified products are sold in over 60 countries.

The largest markets for Fairtrade certified products are countries where there is a Fairtrade Labelling Initiative or Associate Member.

These are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Luxemburg, Mexico, Netherlands, New Zealand, Norway, South Africa, Spain, Sweden, Switzerland, UK and USA.



● Countries that are covered by Liaison Officers

Countries where Fairtrade certified producer organizations can be found

Latin America

- Argentina
- Belize
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Cuba
- Dominican Republic
- Ecuador
- El Salvador
- Guatemala
- Haiti
- Honduras
- Jamaica
- Mexico
- Nicaragua
- Panama
- Paraguay
- Peru
- The Windward Islands

Africa

- Benin
- Burkina Faso
- Cameroon
- Comoros Islands
- Congo Dem. Rep.
- Egypt
- Ethiopia
- Ghana
- Ivory Coast
- Kenya
- Madagascar
- Malawi
- Mali
- Morocco
- Mozambique
- Rwanda
- Senegal
- Sierra Leone
- South Africa
- Tanzania
- Togo
- Tunisia
- Uganda
- Zambia
- Zimbabwe

Asia

- China
- East Timor
- India
- Indonesia
- Kyrgyzstan
- Laos
- Pakistan
- Palestine
- Papua New Guinea
- Philippines
- Sri Lanka
- Thailand
- Vietnam

Producer empowerment



A meeting of Fairtrade certified producers in the Dominican Republic.

Photo - Fairtrade Media

Fairtrade recognizes that striving for gender equality must form an integral part of any empowerment strategy. FLO's gender policy development is

ongoing and the first steps are under way to take stock of the gender situation of Fairtrade groups throughout the world. In Nicaragua, 18 organizations took part

in a major research study during 2008 on Fairtrade certification and the impact on gender. A similar study is planned in southern Africa in 2009.

Fairtrade's new global strategy emphasizes even more strongly the aim of empowering producers to improve their own lives. Once the strategy is fully operational, producers will find it easier to develop their business in their chosen way, and many more producers will be able to join us.

More flexible criteria

Small farmers can participate in Fairtrade if they form cooperatives, associations or similar organizations that contribute to the social and economic development of members and their communities, and which are democratically controlled by their members. Workers communities can also participate in Fairtrade if they are

organized and if the company they work for is prepared to promote its workers' development and share with them the additional Fairtrade revenues, through a joint body of workers and management.

In this way, Fairtrade promotes a stronger voice for farmers and workers. Also, the organized groups make it

easier to establish long-term trading relations and business plans for the benefit of the entire community.

In both these cases, Fairtrade's new strategy will be more flexible in setting qualifying conditions for entry and allow more diversity in the types of organization that can take part.

Stability in insecure times

The guaranteed Fairtrade minimum price gives producers improved security even in uncertain times such as the present. However, the current world recession has created an urgent need for Fairtrade to increase access to finance.

Innovative funding

Local credit lines are drying up in the South and social lenders will soon meet their limit of lending. To address this need, FLO will launch in 2009 an innovative programme to facilitate links between Fairtrade producer organizations and financial institutions.

FLO will also invest more resources to build producers' capacity in financial matters, and will create public-private investment programmes to support their development strategies.

Prepayment cash for harvesting

Among other benefits, Fairtrade standards allow producers to request partial prepayment of contracts. This is important for small-scale farmers' organizations because it ensures they have cash flow at harvest time.

The total amount of prefinancing channelled to Fairtrade producers through social lenders in 2008 was over 100 million euros.



Mountain Fruits in Pakistan is one of the twenty-two Fairtrade certified producers of dried fruits. Fairtrade dried fruits also come from Burkina Faso, Costa Rica, South Africa, Togo and Tunisia.

A unique Fairtrade certified producer cooperative, Mountain Fruits, exports and distributes dried fruits from the northern mountain valleys of Pakistan.

The cooperative's joint body has made product quality a major goal in their business development plan for the organization. Mountain Fruits aims to use the Fairtrade premium not only to improve the farmers' quality of life but also to continue improving the product,

thus further increasing income. Investments have included solar powered electric fruit driers and a nut-cracking machine. Over the last five years, the improved techniques have doubled the selling price of the cooperative's dried apricots.



Photo - Kenneth Haugland

FACTS AND FIGURES

Fairtrade's impact on the lives of millions of farmers, their families and their communities is multi-faceted. The facts and figures for 2008 are evidence that Fairtrade is making a difference.

A school in Ghana at the Kuapa Kokoo cooperative, a Fairtrade certified producer organization for cocoa, which is funded, along with other educational programmes in the region, by Fairtrade Premium money.

Highlights in 2008

Over the last 20 years, Fairtrade has been extraordinarily successful. Sales of Fairtrade certified products have increased phenomenally. Marginalized farming communities throughout the world benefit from fairer trade conditions. And 2008 was no exception to this upward trend.

By the end of 2008:

- There were 746 certified Fairtrade producers worldwide
- The estimated retail value of Fairtrade products rose 22% to almost € 2.9 billion
- Fairtrade sales grew by 50% or more in seven countries
- Despite the onset of the recession no markets fell back
- Over 27 million items made of Fairtrade certified cotton were sold, almost double the sales of 2007
- Sales of tea, an established Fairtrade product, doubled
- Sales of bananas grew by 28% to almost 300,000 metric tons
- Almost nine million litres of Fairtrade wine was consumed – an increase of 57%
- Now there are over 2,700 companies licensed to use the FAIRTRADE Mark on products

There are now over 6,000 Fairtrade certified products available to consumers, such as:

- | | | | |
|---------------|---------------|-----------------------|----------------------------------|
| ■ Coffee | ■ Plums | ■ Cakes and snacks | ■ Beers |
| ■ Tea | ■ Grapefruit | ■ Honey | ■ Rum |
| ■ Herbal teas | ■ Lemons | ■ Jams and preserves | ■ Confectionery |
| ■ Chocolate | ■ Oranges | ■ Chutneys and sauces | ■ Muesli |
| ■ Cocoa | ■ Satsumas | ■ Rice | ■ Cereal bars |
| ■ Sugar | ■ Clementines | ■ Quinoa | ■ Yoghurt |
| ■ Bananas | ■ Mandarines | ■ Herbs and spices | ■ Ice cream |
| ■ Grapes | ■ Lychees | ■ Seeds | ■ Flowers |
| ■ Pineapples | ■ Coconuts | ■ Nuts and nut oil | ■ Sports balls |
| ■ Mangoes | ■ Dried fruit | ■ Wines | ■ Sugar body scrub |
| ■ Avocados | ■ Juices | | ■ Cotton products incl. clothing |
| ■ Apples | ■ Smoothies | | ■ Homewares |
| ■ Pears | ■ Biscuits | | ■ Cloth toys |



Sales in volume and retail value

PRODUCT	UNIT	CONVENTIONAL	ORGANIC	TOTAL 2008	GROWTH RATE
BANANA	MT	209,400	89,805	299,205	28%
COCOA beans	MT	5,336	4,962	10,299	N/A*
COFFEE roasted	MT	34,135	31,673	65,808	14%
COTTON	1,000 items	25,280	2,292	27,573	94%
FLOWERS and plants	1,000 items	311,685		311,685	31%
FRESH FRUIT	MT	25,288	1,136	26,424	1%
FRUIT JUICE	MT	27,626	593	28,219	11%
HONEY	MT	1,727	328	2,055	22%
RICE	MT	2,615	2,070	4,685	11%
SPORTS BALL	1,000 items	141		141	2%
SUGAR cane sugar	MT	49,673	7,317	56,990	N/A*
TEA	MT	9,515	1,952	11,467	112%
WINE	1,000 items	5,831	3,151	8,982	57%

* N/A due to new calculations methods for 2008 not allowing to compare data from previous years.

LI	UNIT	2007	2008	GROWTH RATE
AUS/NZ	EUR	10,800,000	18,567,280	72%*
AUSTRIA	EUR	52,794,306	65,200,000	23%
BELGIUM	EUR	35,000,000	45,780,141	31%
CANADA	EUR	79,628,241	128,545,666	67%*
DENMARK	EUR	39,559,534	51,220,106	40%*
FINLAND	EUR	34,643,000	54,445,645	57%
FLO EV	EUR		127,297	127,297**
FRANCE	EUR	210,000,000	255,570,000	22%
GERMANY	EUR	141,686,350	212,798,451	50%
IRELAND	EUR	23,335,678	30,131,421	29%
ITALY	EUR	39,000,000	41,180,027	6%
JAPAN	EUR	6,200,000	9,567,132	44%*
LUXEMBURG	EUR	3,200,000	4,249,301	33%
NETHERLANDS	EUR	47,500,000	60,913,968	28%
NORWAY	EUR	18,069,198	30,961,160	73%*
SPAIN	EUR	3,928,213	5,483,106	40%
SWEDEN	EUR	42,546,039	72,830,302	75%*
SWITZERLAND	EUR	158,101,911	168,766,526	7%
UK	EUR	704,314,576	880,620,304	43%*
USA	EUR	730,820,000	757,753,382	10%*
GLOBAL TOTAL	EUR	2,381,127,046	2,894,711,217	22%

* These growth rates are based on the percentage increase as reported in the local currency, not on the value converted into Euro

** whole-sale value of all other countries

FLO summarized accounts

These annual accounts have been produced on the basis of internal documentation and internal accountancy following generally accepted accounting principles and taking into account German tax law (KStG) and commercial law (HGB).

The summarized accounts reflected here may not contain sufficient information to permit a full understanding of the organization's financial affairs.

They are extracted from the annual statement of accounts, available from the Financial Department of FLO International e. V.
Signed by Rob Cameron, Chief Executive Officer FLO International e.V.,
Bonn, 10 March 2009

INCOME	2008 €'000	2007 €'000
Membership contributions	3 381	2 480
External grants for specific projects	2 732	1 953
Interest & other income	366	4
TOTAL INCOME	6 479	4 437
EXPENDITURE		
Producer liaison & support	3 010	2 552
Standards development & maintenance	802	476
Communications & Certification Mark management	780	294
Strategy & policy	537	307
Governance & central support	1 199	766
Contribution to reserves	150	50
	6 478	4 445
BALANCE CARRIED FORWARD	1	-8

ASSETS	Dec. 31, 2008 €'000	Dec. 31, 2007 €'000
FIXED ASSETS	116	102
Intangible assets	17	26
Tangible assets	70	47
Financial assets	29	29
CURRENT ASSETS	2 590	757
Outstanding accounts for services	466	338
Other assets	208	126
Liquid funds	1 916	293
TOTAL	2 706	859

LIABILITIES	Dec. 31, 2008 €'000	Dec. 31, 2007 €'000
EQUITY CAPITAL	514	278
Revenue reserves	483	248
Unappropriated surplus	31	30
LIABILITIES	2 192	581
Provisions	102	69
Liabilities to banks	-	-
Liabilities for supplies and services	415	191
Other liabilities, accruals & deferrals	1 675	321
TOTAL	2 706	859

FLO Board

1. Mr **Jean-Louis Homé** Chair of the Board of Directors. Mr Homé was Heineken's Director for African and Middle East operations from 1993 to 2002.
2. Mr **Ian Bretman** Vice Chair of FLO Board and Deputy Director of Fairtrade Foundation UK.
3. Mr **Martin Rohner** CEO of Max Havelaar Foundation Switzerland.
4. Mr **Rick Peyser** representing Fairtrade registered traders. Mr Peyser is Director of Social Advocacy and Coffee Community Outreach, Green Mountain Coffee Roasters USA.
5. Mr **Leo Ghysels** representing Fairtrade registered traders. Mr Ghysels is the Director of the Department of Producer Research, Oxfam Wereldwinkels Belgium.
6. Mr **Yorokamu K. "Abaine" Abainenama** representing producer organizations in Africa. Mr Abaine is the General Manager of Union Export Services Ltd (UNEX) in Uganda and Chair of the African Fairtrade Network (AFN).
7. Mr **Binod Mohan** representing producer organizations in Asia. Mr Mohan is Chairman of the Network of Asian Producers (NAP) and the Managing Director of Tea Promoters India, a Fairtrade certified tea estate.
8. Mr **Raúl del Águila** representing producer organizations in Latin America. Mr del Águila is also the President of the Coordinadora Latinoamericana y del Caribe de Comercio Justo (CLAC) and the Managing Director of COCLA, a Fairtrade certified coffee cooperative in Peru.
9. Mr **Carlos Eugenio Vargas** Board Member representing producer organizations in Latin America. Mr Vargas works for a Fairtrade certified banana cooperative in Costa Rica, as co-ordinator for the compliance with Fairtrade standards and for commercial relations.
10. Mr **Steve Knapp** Director of Fairtrade Labelling of Australia and New Zealand.
11. Mr **Thomas Bullock** Board member of TransFair USA.
12. Ms **Molly Harriss Olson** joined the board in December 2008. She is a Director of Eco Futures Pty Ltd, an Australian-based international policy firm working on building sustainable strategies with business, government and civic leaders.

Our thanks goes to Ms Barbara Fiorito who stepped down in December 2008, having served as Chair of the Board since 2006.



1 2 3 4 5 6 7 8 9 10 11 12

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FLO Members – Labelling Initiatives

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MAX HAVELAAR DENMARK
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ASSOCIATION FOR PROMOTING
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www.sellocomerciojusto.org

FAIRTRADE SWEDEN
www.rattvisemarkt.se

MAX HAVELAAR SWITZERLAND
www.maxhavelaar.ch

FAIRTRADE FOUNDATION UK
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TRANSFAIR USA
www.transfairusa.org

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FLO Members – Producer Networks

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AFN –
AFRICAN FAIRTRADE NETWORK
Email: africafairtrade@yahoo.com

Producer Network Asia

NAP – NETWORK OF ASIAN
PRODUCERS
Email: napflo@gmail.com

Producer Network Latin America and Caribbean

CLAC – COORDINADORA
LATINOAMERICANA Y DEL CARIBE
DE COMERCIO JUSTO
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Cover and back: Images of how Fairtrade certified coffee is harvested washed and dried in Kenya and Ethiopia and served throughout the world.

Fairtrade Labelling Organizations International

Bonner Talweg 117 — 53129 Bonn — Germany

Telephone +49 (0) 228 94 92 30 — Telefax +49 (0) 228 24 21 713

info@fairtrade.net — www.fairtrade.net

