

THE KING BAUDOIN INTERNATIONAL DEVELOPMENT PRIZE 2002 HONOURS THE CERTIFICATION OF FAIRTRADE PRODUCTS

Brussels, December 19, 2002.

The King Baudouin Foundation has awarded the King Baudouin International Development Prize 2002 to Fairtrade Labelling Organizations International (FLO). With its secretariat in Bonn, Germany, the organisation comprises 17 national initiatives in 14 countries throughout Europe, North America and Japan.

The aim of FLO is to improve the situation of disadvantaged producers and workers in developing countries, by setting the fairtrade standards through a system of product certification, and by creating the framework that enables trade to take place at conditions favourable to them.

The system of certification of fairtrade products provides a genuine choice to consumers in their day-to-day shopping habits. Currently, various ranges of food products (sugar, bananas, coffee, tea, cocoa, fruit juices, honey, rice...) are sold under a fairtrade label, but increasingly, non-food items are being offered as well (like footballs). The most widely distributed labels are Max Havelaar, TransFair and Fairtrade.

The King Baudouin International Development Prize 2002, worth 150,000 euros, will be presented on May 27, 2003, at the Royal Palace in Brussels.

The jury, chaired by Dr. Peter Piot, executive director of UNAIDS, explained their decision as follows: they reward Fairtrade Labelling Organizations International (FLO) and its members, *"for their pioneering role in giving disadvantaged producers and workers in the developing world the opportunity to participate directly and at fair trade conditions in international trade, through a system of certification, producer support, business facilitation, and consumer education."*



As part of a movement that began over 40 years ago, fairtrade is in fact about more than selling the products of producers who are disadvantaged as a result of low market prices and their great dependence on intermediaries. It also informs public opinion of the nature of the current system of international trade, in which the small-scale producers, particularly in developing countries, must struggle to survive.

The movement started out as a partnership between these producers, and non-profit distributors and retailers in the North. Over the years, more and more alternative trade organisations (ATOs) have been created in various countries, often in close connection with World Shops run by groups of volunteers.

However, the ATOs and the World Shops rarely reach a wide target clientele. It is for this reason that, in 1989, the concept of fairtrade certification was born, in order to make these products directly recognisable to shoppers in supermarkets. Fairtrade certification was first applied in the Netherlands, with the sale of coffee under the name of Max Havelaar, an example that was soon followed by numerous other countries, under the same or different names, such as TransFair or Fairtrade.

Today, FLO, its members (or "national initiatives") and other organisations involved in fairtrade are acting to encourage production that is socially responsible and ecologically sustainable. When FLO argues for a "trading partnership", for the recognition of the rights of small-scale producers and workers, particularly in the South, the organisation is clearly playing a role in the ongoing discussions within forums such as the WTO, Porto Alegre, Davos or the European Union....

Dr. Peter Piot puts it like this: *"Many people, private and public institutions in the affluent North generously give billions of euros in development aid to the South. While in the South these donations are sorely needed, in the long run only economic development allows people in the South to liberate themselves from poverty in a sustainable way. In today's globalising world, they can only do so through full participation in international trade on equal terms with the developed hemisphere."*

FLO's dedication to an open, predictable, and non-discriminatory trading system, with room for human dignity and sustainable development, clearly fits within the United Nations Millennium Development Goals (MDGs). The MDGs, which were endorsed by all Member States in 2000, provide a blueprint to meet the major development challenges of our time by 2015.



Since 1980, the King Baudouin International Development Prize has awarded 150,000 euros biennially to an individual or organization for sustainable achievements in improving the lives of people in the developing world. The diverse list of past Prize winners covers a broad spectrum of fields, including adult literacy, micro-credit, HIV/AIDS, landlessness, food supply, and vaccine development. The Prize selection process emphasizes the multiplier effect of the proposed initiatives, and the opportunities they give to the people they serve to take control of their own development. For more information, go to www.kbprize.org.

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