



## Analytical Report on the Stakeholders' Meeting/ Validation Workshop of the Case Study on Philippine Movement on Fair Trade

ZURAIDA MAE D. CABILO<sup>1</sup>

*(The preliminary findings of the case study were presented to the stakeholders in three separate occasions: [1] the Filipinas Fair Trade Ventures' Producer Partners Meeting last on January 27, 2006 in Antipolo City, Rizal; [2] the Advocate of Philippine Fair Trade Inc.'s Partners Conference on March 2, 2006 in Tagbilaran City, Bohol; and [3] the national stakeholders' validation workshop held on February 7, 2006 at the Balay Kalinaw, University of the Philippines Diliman. The last activity was attended by nineteen representatives from various member organizations of the Philippine Fair Trade Forum, two representatives from guest organizations, twelve students of political science, three staff of the Third World Studies Center, and five members of the Philippine Research Team.)*

### INTRODUCTION

The presentation highlighted the major findings of the study, which are the following:

- Fair trade as understood and practiced by advocates and practitioners are varied: fair trade as defined by the International Fair Trade Association (IFAT); fair trade equated with alternative trade and people-to-people trade; and fair trade as part of a larger project to change the current

social, political, and economic contexts where trade currently operates and coincides with several other movements such as the organic food movement. This disparity, however, is bound by a common thread of fair trade advocacy as changing the social relations that govern production processes and trade.

- The plurality of appreciation of "fair trade" is reflected in the variety of issues and campaigns that movement actors engage in individually. These

<sup>1</sup> Zuraida Mae D. Cabilo is university research associate of the Third World Studies Center, University of the Philippines Diliman.

include raising awareness on the concept and practice of fair trade; promotion of the practice of sustainable agriculture and organic farming, food security and sufficiency, and other macroeconomic concerns such as trade liberalization under the World Trade Organization.

- In engaging in these campaigns, movement participants make use of a four-pronged strategy: raising consumer awareness, engaging mainstream businesses through direct competition in the local market, enhancing producer capacities, and undertaking policy advocacy.

On the two occasions where the results of the study were presented to producer organizations the participants did not ask any questions, but expressed that the presentation provided them a background on the movement to which they, individually and collectively, belong. Some were explicit in saying that they were not aware of fair trade, despite the orientation provided by support organizations such as the Advocate of Philippine Fair Trade, Incorporated (APFTI). APFTI partners who underwent an orientation regarding fair trade said that this limited understanding of “fair trade” is due to two factors: the lack of follow-through activities as well as feedback mechanisms regarding the concept and practice of fair trade. Thus, participants said that there is a need for a process of continuous learning, not only about fair trade concepts and practices. More important, understanding will be deepened through the day-to-day, conscious effort to adopt fair trade as a way of life.

More nuanced comments regarding the paper were made during the national stakeholders’ validation workshop, which was attended by members of the Philippine Fair Trade Forum (PFTF). Participants recognized the serious effort put into piecing together the individual histories of various fair trade

organizations to come up with a collective history of the movement. In the course of the discussion, issues along the following themes were raised:

## WHOSE FAIR TRADE STANDARDS AND CERTIFICATION AND LABELING SYSTEM?

In most literature on fair trade, the concept and practice of fair trade is almost always used interchangeably with “alternative trade.” The thin line that divides the two terminologies surfaced during the clarification on the difference between the Japanese version of alternative trade, more popularly known as “people-to-people trade,” and the European concept of fair trade. People-to-people trade, according to Ted Lopez of the Alter Trade Foundation Inc., is characterized by direct exchange between consumers and producers to engender deeper understanding among peoples with distinct cultures. A major critique on the practice of fair trade, as in the case of Europe in the area of certification, is its openness to recognize transnational corporations such as Nestle, Nike, and Procter & Gamble as businesses that “practice” fair trade. Participants expressed more inclination toward the Japanese concept of alternative trade.

In the case of fair trade standards, workshop participants recognize that these international measures, while stringent and difficult to comply with for small producer organizations, adapt to local contexts. The People’s Global Exchange, a small marketing organization, however, reiterated that these standards are still too steep for their partner producers to comply with. APFTI’s former executive director, Antonietta Ocampo, shared with the group the possibility of coming up with a national labeling initiative. This way, local conditions would be concretely reflected in the national standards. In particular, a national labeling system would provide an identity for Philippine fair trade products and make them easily identifiable in the market.

Alex Hermoso of PREDA Fair Trade articulated what he thinks majority of PFTF members feel about a Philippine fair trade mark: promoting the concept of fair trade the Filipino-style. However, concern was brought up regarding the need for these national standards and label to be recognized in international fair trade circles as this will determine the acceptability of fair trade products in the international markets. According to the participants, for Philippine fair trade products to penetrate international markets, they need to be endorsed by international certification bodies, such as the International Federation of Organic Agriculture Movements (IFOAM) for organically produced foods and the International Fair Trade Association for goods to be included in the fair trade products database. Another suggestion is for Philippine fair trade organizations (FTOs) to lobby IFAT to have a fair trade standard that is representative of the particularities of various countries.

## ADVOCACIES, STRATEGIES, AND OUTCOMES

While the case study clearly distinguished the various strategies employed by Philippine FTOs, the paper, according to the participants, fails to establish the actual relationships among these advocacy schemes. At present, advocates and practitioners said that they place more emphasis on the strategies of engaging in consumer awareness (to encourage responsible consumption) and enhancing producer capacities (to meet marketing principles of pricing, volume, and quality) simultaneously to strike a balance between the business and social dimensions of fair trade. The importance of engaging in policy, rather than political, advocacy is also recognized, but a more basic advocacy track is to develop cooperation between local producers with consumers. The paper can be further strengthened and made more useful to movement participants by including in the movement's trajectory, the processes that

will enable actors to deepen the existing unities and agreements amid diversity.

Furthermore, specific advocacies of various organizations can be included to illustrate more clearly how diverse are the issues and concerns that are engaged in as campaigns by Philippine FTOs. At the same time, the outcomes of these campaigns should also be presented to determine the extent to which these initiatives have achieved the objective of popularizing fair trade in the Philippines, either as a sole campaign or as part of a larger effort. Questions should be raised on whether these campaigns have contributed to mobilizing support—in terms of sales and warm bodies promoting and practicing fair trade—at least in areas where FTOs operate should be addressed.

## IMPACT OF FAIR TRADE

Anecdotes culled from interviews with producers are rich sources of determining how small producers view the impact of engaging in fair trade on their lives. To provide a more objective assessment of the impact of fair trade, the efficiency and profitability of FTOs should be included in the paper. This could support the assertion that producers experienced increased incomes and would clarify whether the gains as perceived by producers are due to efficiency and profitability of the business's operation or because of the premium prices paid by the solidarity markets and consumers.

## EXPANSION OF FAIR TRADE NETWORK IN THE PHILIPPINES

While fair trade organizations have been existent since the early 1970s, there is still a need for fair trade advocates and practitioners to expand the "fair trade circle" to include other formations that may have similar advocacies. Arnel Astillero of APFTI sees concerns regarding market standards and practices as hindrance to attracting potential practitioners and eventual members of the

fair trade movement, if indeed there is such a movement in the Philippines. He pointed out that there may be activities in support of marginalized producers and that movement participants should look for other stakeholders in Philippine society that could be drawn in the fair trade circle.

“processes of deepening existing unities” among the different members of the PFTF through an exposition of strategies “to address present inadequacies” for which the PFTF, as the major fair trade umbrella network in the country, can come up with appropriate responses.

## CONCLUSIONS AND RECOMMENDATIONS

The exercise did not only provide a venue for validating the preliminary findings of the study. More important, existing and prospective movement actors were given the opportunity to think on the accomplishments of individual fair trade organizations and the prospects of the movement. As one participant pointed out, the paper has laid down the history and the current challenges that shaped, and will continue to hone, the Philippine fair trade movement.

In light of all the issues raised during the meeting, the participants recommended that a discussion on how Philippine FTOs implement FT standards that were primarily developed in and implemented by Northern organizations be included in the paper. A presentation regarding the extent of the compliance of PFTF members who are currently members of the IFAT will be helpful in illustrating how Philippine FTOs adapt to these standards and what benefits are derived from compliance. This can be contrasted with the experience of non-IFAT members to determine in what way other Philippine-based IFAT members can assist them. Another important dimension that can be elaborated on is the dynamics within the IFAT and how Philippine FTOs deal with the politics within the international organization. In this manner, movement participants can gain insights on how to navigate their way within the international formation in evincing concerns such as fair trade standards and labeling and certification processes.

Finally, the participants suggested that the paper can help facilitate the

## PARTICIPANTS

### A. Fair Trade Organizations

1. Antonietta Ocampo  
Advocate of Philippine Fair Trade  
Inc. (APFTI)
2. Vincent Eugenio  
APFTI
3. Arnel Astillero  
APFTI
4. JR Dela Cruz  
APFTI
5. Celeste Gimena  
APFTI
6. Earl Parreño  
Alter Trade Corporation  
(Bacolod City)
7. Ted Lopez  
Alter Trade Foundation Inc.  
(Bacolod City)
8. Czarina Gragera  
Community Crafts Association of  
the Philippines (CCAP)
9. Marcelle Rubi  
CCAP
10. Hector Bejo  
CCAP
11. Betty More  
KATAKUS, Inc.  
(Davao City)
12. Arturo Velasco Jr.  
Much in Little
13. Augusto Antonio  
Much in Little
14. Evelyn Paraiso  
Much in Little
15. Luzviminda Santos  
People's Global Exchange (PGX)
16. Joy Obera  
PGX
17. Alex Hermoso  
PREDA Fair Trade  
(Olongapo City)
18. Josephine Soriano  
SAFFY Handicrafts/SAFRUDI
19. Geraldine Labradores  
Southern Partners for Fair Trade  
Corporation  
(Cebu City)

### B. Guest Organizations

1. Chona Ramos  
Oxfam-Great Britain
2. John Mark Cajiuat  
Consulting Team Incorporated

### C. Philippine Research Team

1. Teresa S. Encarnacion Tadem
2. Ma. Glenda Lopez Wui
3. Sharon M. Quinsaas
4. Joel Ariate Jr.
5. Josephine Dionisio

### D. Third World Studies Center

1. Bienvenida Lacsamana
2. Jewellord Nem Singh
3. Bradley Luis Cardozo

### E. Students

1. Mirriam Kristine Refuezo
2. Richard Heydarian
3. Richard Beltran
4. Ria Angeline Oyog
5. Ronyll Mendoza
6. Joan Clarice Caccam
7. Fritz Sapon
8. Johannes Aquino
9. R. Jeriel Sawit
10. Lou Angela Felicia
11. Monchester Macapagal
12. Mark Lester Tamondong

## PHOTO DOCUMENTATION



Zuraida Mae D. Cabilo, member of the UNRISD-Philippine Research Team, presents her research report during the national stakeholders' meeting on fair trade.



The participants to the national stakeholders' meeting on fair trade as they listen to Zuraida Mae D. Cabilo's presentation of her research report.



Geraldine Labradores (right) of Southern Partners for Fair Trade Corp. stresses a point during the open forum.



The participants during the open forum of the meeting.