

THE WORLD FAIR TRADE ORGANIZATION
FAIR TRADE SELF ASSESSMENT REPORT

LA MAISON AFRIQUE FAIR TRADE AB
17 of DECEMBER 2009

SUMMARY

ORGANIZATIONAL PROFILE

La Maison Afrique FAIR TRADE AB

Postal address: Trustorps Gård, 310 58 Vessigebro SWEDEN

Tel: +46 346 22168

E-mail: la.maison.afrique@ebrevet.nu

Webb English: www.la-maison-afrique.se/eng

Webb Swedish: www.la-maison-afrique.se

Managing Director: Mona Bengtsson

Activities:

Wholesale/distribution, import, export, microcredit/finance,
promotion of Fair Trade and its principles, marketing/communication, education/awareness raising/advocacy

Mission statement:

“To support the African craftswoman/man so that products
produced with respect for environment, people and traditions are successfully marketed in Europe.
Increase awareness of African cultures in Europe”.

Fair Trade company (AB) with Fair Trade, not profit, as objective ref Articles of Association.

Surplus transferred to the next year and reinvested, no dividends paid to shareholders.

Labour (Sweden):

3 employees working 75-80% as volunteers. All being board members.

Suppliers (Madagascar):

Total of 217 artisans in 24 groups. All suppliers are small scale producers working in one of Africa's economically poorest, most marginalized and the worst hit by cyclones. Almost all being in the informal sector and headed by women.
Most are in rural location.

Turnover: Fair Trade product sales 82070 EUR (2008-2009), 109130 EUR (2007-2008), 99137 EUR (2006-2007)

Products: 98,5% crafts (hats, bags, baskets, bijoux and interior items), 1,5% essential oils

Membership in Fair Trade networks: Active member of (on global level) the World Fair Trade Organization WFTO,
(on regional level) WFTO-Europe, (on national level) Nätverket Rättvis Handel.



THE 10 FAIR TRADE STANDARDS

1) Creating opportunities for economically disadvantaged producers

La Maison Afrique has since start of operation in 1995, focused on creating opportunities for small scale producers in one of Africa's economically poorest*), most marginalized country: Madagascar.

La Maison Afrique has a written mission statement supporting the reduction of poverty through trade. The core mission statement is presented in La Maison Afrique's logo.

Policy on choosing supplier:

The producer and her/his production must represent what the logo (tag/label) communicate:

- A) Genuine craft production
- B) Environmentally responsible
- C) Socially responsible
- D) Respect tradition, promote culture

The above translates into:

A) La Maison Afrique favours systematically home based, traditional craft making, does not buy from factory production. The genuine craft production gives income opportunities and empowerment to the most marginalized.

B) La Maison Afrique only buys products made of local, renewable natural materials or recycling of waste. The production has to be environmentally friendly.

C) La Maison Afrique focus on value added products, does not trade with raw materials. In the colonial trade system, Africa was a supplier of raw materials. We work for change.

D) La Maison Afrique search producers and products that have an intangible value, deliver awareness.

2 Transparency & Accountability

La Maison Afrique produces yearly Accounts and Annual Reports that are audited by approved public accountant and made an official document available for anybody, not only stakeholders, at the Swedish Registration Office.

IFAT Self Assessment Report has been done and approved 2003, 2005, 2007 (2007 also through External Verification.)

Meetings with artisans are held yearly on Madagascar during a period of 2-3 weeks. Every year since 1995. Before 2007, during longer period; 6-8 weeks. Main purpose of meetings are to receive information from artisans, disseminate market information, provide training, order products.

The products in La Maison Afrique's assortment can be traced to the artisan who made it. This as the suppliers are small groups of artisans, the products typically demands specific craftsmanship and the efforts La Maison Afrique put into getting information about the materials used (that they are of local origin and that their processing is good for the environment as well as the national economy).

***) Madagascar is one of the economically poorest countries in the world.** Madagascar belongs to the group of 50 countries defined as the "Least Developed Countries", LDC.

Even within this group of countries, Madagascar stands out as economically very poor and disadvantaged:

- Gross National Income, GNI per capita USD 290
(vs average USD 378 for the group of LDC's) in 2005

- GNI per capita growth 1,8%

(vs average 3,7% for the group of LDC's) in 2005

- 61% of the Madagascar population lived on less than 1 USD/day in 2004.

Ref: UN/World statistical report 2006 "Measuring development in Least Developed Countries".

Since the beginning of 2009, the economic situation has become even much worse. The country is in a deep economic-political crisis.



3 Trading Practices

Pre-financing/loans:

La Maison Afrique pre-finance (without interest) 100% value of the ordered products when making the order.

La Maison Afrique also pre-finance the packing materials, packing, export-administration and the clearing and forwarding of the container.

The situation on Madagascar is often difficult and there are many reasons for that a producer cannot deliver as she/he had hoped. This has certainly been the case during 2009. Pre-financing of goods not delivered with the expected shipment, has been standing on artisans account on Madagascar for the next coming orders and shipment.

Until 2008, La Maison Afrique paid 50% when making the orders and the remaining 50% on the last day of delivery. The system was changed on demand from the artisans.

Policy on rejection:

If received products are not properly done, La Maison Afrique will inform the producer. High cost of return transport prevents defect products to be returned and payment reclaimed.

If the quality is not improved in the coming deliveries, the producer will not get more orders

Policy on cancellation:

La Maison Afrique takes the responsibility not to cancel orders. We regard cancelling of orders as unfair to the supplier.

La Maison Afrique does not put designs or patterns before the producers. It encourages the artisans to make use of own ideas and artistic talent.

4 Payment of a Fair Price

The income from the craft production sold to La Maison Afrique contributes to the livelihoods of producers by the way it is paid and the amount paid:

- giving pre-financing
- giving export administration
- giving advise about product development and product quality
- giving advise about cost calculations as a basis for price setting
- being regular within a long-term commitment
- being based on suggestions from the producers and in local currency
- being increased over time – but never decreased
- **being the amount that not only covers the basic costs, but also build long term relationships.**

When comparing the minimum wage on Madagascar with the income the artisans receive from the craft production sold to La Maison Afrique, the difference is large. For example, the micro group of three persons making baskets are able to achieve an income from the sales that is more than 14 times the minimum wage.

The average artisan making hats will, if she/he spends 40h/week making hats, achieve at an income that is almost 5 times the minimum wage.

It should be pointed out that part of the income for the products sold is needed for buying materials - or time will be needed for collecting wild growing.

The need for securing livelihoods.

Madagascar is not a low cost country. The prices of consumer goods incl basic food and transport are comparatively high. In addition, the level of insecurity is high: Parts of the country is yearly devastated by cyclones. "Political cyclones" have been rather frequent: 2009, 2002, 1991 etc.

As a consequence, La Maison Afrique supports craft production as a complement to self-sufficiency agriculture. This in order to genuinely work for the securing of producer livelihoods on a microeconomic level, on a macroeconomic level the nations need to stop the increasing dependence on food import.

5 Child Labour and Forced Labour

La Maison Afrique can assure, based on the 15 years of close cooperation with the artisans on Madagascar, that the products are not made by child or forced labour.

The Malagasy law has 15 years as minimum age, 18 years for workweeks exceeding 40 h, night work etc demanding work.

6 Non Discrimination, Gender Equity & Freedom of Association. Policy on equal opportunities and non-discrimination

La Maison Afrique has a strong presence of women in decision making.
Non discrimination and a culture of taking responsibility.

Most of the producer groups are represented by a woman and the contract is written in her name.
Two women are making the coordination and administration for the total of the producer groups.
In Sweden: La Maison Afrique's board of directors consists of three women, one man.

Reasons for La Maison Afrique to give favourable opportunities for women are:

- * need to counterbalance a very unequal world
- * issue of environmental importance—not only social.

7 Working Conditions

Working hours:

La Maison Afrique does not oblige the artisans to make the quantity in the order, it allows the artisan to decide for her/himself.
By that, we assure that the artisan is relaxed and dispose the time according to her/his overall needs (might need to care for children, cattle and rice fields instead of making crafts).

Health and social conditions:

Generally, the artisans "own" themselves their working conditions being self employed and home based. E.g. the opportunities to care for children while working are good. La Maison Afrique makes efforts to find crafting that are not harmful to the health and can be continued into high age (also by so called "disabled" persons).

8 Capacity Building

La Maison Afrique has a direct contact with the artisans and support them with market information:

Product catalogue and other printed promotion/information materials, photos from La Maison Afrique's stand at the recent trade fairs are all presented to the producers during yearly meetings. Comments, complaints and ideas from customers are forwarded to the producers.

The artisans are offered help to understand how to make price calculations. The artisans are advised about product development that can improve her/his profitability.

9 Promoting Fair Trade

La Maison Afrique participates in several Fair Trade activities every year; Fair Trade fairs, Fair Trade events, speeches about Fair Trade. La Maison Afrique also participate in three major international trade fairs per year. *)**)

During 2009, hat producers have been especially featured in the national campaign connecting Fair Trade with climate change (e.g. on campaign postcards).

La Maison Afrique has a website which informs about Fair Trade, La Maison Afrique, the artisans on Madagascar and the products. The website is in English and Swedish. During 2009, it has had 700-900 unique visitors per month.

La Maison Afrique offers digital and printed catalogue in Swedish and English.

La Maison Afrique delivers the products with printed, plastic laminated information about Fair Trade, La Maison Afrique, the artisans on Madagascar.

The products are delivered with a tag or sticker with our mission, core values: "Arts & Crafts from Madagascar with respect for environment, people and traditions. FAIR TRADE www.la-maison-afrique.se"

*) Fair Trade speeches 2009:

25 April FT and Environment, Arboga Worldshop 30 years celebration
26 September FT and Environment, FLO national initiative seminar, Falkenberg
10 October FT and climate change Fair Trade Forum, Malmö
20 October FT and Environment, Fairtrade city Ängelholm
11 December Fair Trade - Fair Climate, Swedish Worldshop Association, Malmö

2008:

1 March FT and Environment, Swedish Worldshop Association, Gothenburg
6 March FT and Environment, Worldshop Varberg
26 April WFTO, Swedish Worldshop Association Annual Meeting, Örebro
18 September Trade and climate change, European Social Forum, Malmö
19 September Trade Justice is possible, p.m. Fair and Sustainable choices, FT and Environment, European Social Forum, Malmö
18 October WFTO, Fair Trade Forum, Gothenburg

***) Trade fairs and Fair Trade events 2009

15-18 January FORMEX, Stockholm The largest Scandinavian trade fair for design and interior. Approx 25 000 professional visitors during the 4 days event. La Maison Afrique participated with exhibition stand and presentation in catalogue.
19-22 February BioFach, Nürnberg The largest world organic trade fair. approx 46 000 professional visitors from 113 countries during the 4 days event. La Maison Afrique participated with exhibition stand and presentation in catalogue.
27 - 30 August FORMEX, Stockholm The autumn version of above. La Maison Afrique participated with exhibition stand, presentation in catalogue and also had several hats, bags and baskets chosen for the entrance trend exhibition "Vintage Travel - Travel in style".
9-10 October Fair Trade forum, Malmö Fair Trade fair and seminars which is held yearly in Sweden. La Maison Afrique participated as exhibitor and with lecturing.
2008
17-20 January FORMEX, Stockholm See description above. La Maison Afrique participated with exhibition stand, presentation in catalogue and with recycled metal cars chosen for theme exhibition.
21-24 February BioFach, Nürnberg See description above. La Maison Afrique participated with exhibition stand and presentation in catalogue.
28 -31 August FORMEX, Stockholm See description above. La Maison Afrique participated with exhibition stand, presentation in catalogue and had recycled metal cars chosen for entrance trend exhibition "Celebrating Traditions"

10 The Environment

All products in La Maison Afrique's assortment are made of:

- A) natural, renewable materials of local (Malagasy) origin or
- B) recycling of waste (which otherwise would damage the Malagasy environment).

The production is highly manual, small scale and with next to none waste. Öko-Text certified dyes are used for sisal, raffia and mountain grass. Leather is tanned with lime and mimosa, no chrome.

The products are controlled and approved by ministries concerned with environment and forests (wood etc forest products) or economic development, crafts and culture (the other products) before shipping.

100% of the products are shipped by sea to Sweden.

A minimum of packing (mainly second hand or new cartons) are used as packing materials.

