

FAIR TRADE FOR HOMEBASED WORKERS

Siem Reap, Cambodia

Representatives from seven countries actively participated in Homenet Southeast Asia's 2012 Subregional Workshop (SRW) on "fair trade and products of homebased workers," held back to back with its Subregional General Assembly (SGA) at the Goldiana Angkor Hotel in Siem Reap, Cambodia, January 11-13. The Artisans' Association of Cambodia (AAC), a registered member of the World Fair Trade Organization (WFTO) and the World Fair Trade Organization Asia (WFTO Asia), hosted the event in cooperation with Homenet SEA as overall coordinator and Homenet South Asia providing material support under the IUP Project.

The SRW had the following objectives: 1) To demonstrate the importance of fair trade as an effective tool to promote products and markets of homebased workers (HBWs) by raising their awareness on fair trade concepts, policies, principles and practices; 2) To build the capacity of HBWs through training to encourage group enterprises in identifying and creating products and markets that adhere to fair trade standards; 3) To enhance knowledge of HBWs and rise to the challenge of producing high quality competitive unique products that will develop sustainable market niches both in the export and local markets; and 4) To feature clean and green products from raw materials that are produced using new technologies appropriate for women that are user-friendly, effective, sustainable and promote a clean environment.

During the three-day workshop, leaders of national Homenets and focal points from Indonesia, Philippines, Thailand, Laos, Cambodia, Vietnam and Malaysia converged for knowledge sharing and experiential learning. The said workshop entailed two activities: a training workshop that provided an avenue to exchange knowledge and experiences on fair trade concepts, principles, policies and practices; while the second part was a bazaar that showcased products of homebased workers from various countries in Southeast Asia.

The recently concluded SGA held in Siem Reap was the third assembly for Homenet SEA, with the first one held in Bangkok in 2005 and the second in Vientiane, Laos in 2008. Representatives of the seven country Homenets met to elect officers who will comprise the subregional council and executive committee and discuss the network's indicative plan for the next three years. Every three years, Homenet Southeast Asia is mandated by its Constitution and ByLaws to hold a Subregional General Assembly (SGA) with majority homebased workers' participation.

DISTINGUISHED GUESTS GRACE OPENING

Distinguished guests from the Royal Government of Cambodia graced the opening ceremonies on January 11. His Excellency **Mao Thoura**, Secretary of State, Ministry of Commerce, as keynote speaker, reiterated Cambodia's support for Fair Trade, highlighting the ten principles as a strategy for poverty alleviation and sustainable development



that creates opportunities for economically disadvantaged groups. In his welcome message, Siem Reap Vice Governor



Kim Chaiheang warmly received national and international guests to the beautiful and historic province of Siem Reap, affirming likewise that patronizing fair trade products contributes significantly to address the adverse impacts and threats of climate change especially on

homebased workers in terms of production, raw materials sourcing, livelihood and income opportunities and generating green jobs.

Sapna Joshi, Regional Coordinator of HNSA, congratulated AAC for its effort to promote and uplift the living conditions of homebased workers and providing them with employment in the urban and rural settings.



COUNTRY PRESENTATIONS

HWPRI President **Cecilia Susiloretno**, with **Choirul Mapuduah**, an independent woman producer, began the country sharing by describing Indonesia's application of fair trade practiced in the form of solidarity economy - through a savings and loan program in every HBW group, cooperatives at the



regency, municipal and provincial levels (Setara Women's Cooperative, HWPRI Coop for example), credit union and social fund (for health, death/disaster).

Vahnola Intavong of Lao PDR reported that one of the most effective ways by which Homenet Lao empowers whole communities, especially the working poor women, is through village banking. She added that "people establish savings groups among themselves in order to learn and help each other, strengthen their cultural ties,

preserve the natural environment, and develop skills to manage and lead together."

In the Philippines, **Maria Nebla**, PATAMABA Region 6 President and **Mary delos Santos**, PKKK President, said that women homebased and



informal workers have evolved their own conception of fair trade by finding new ways that will effectively enable them to increase their income and productivity, recognize and respect their participation, while having the opportunity to avail of services that can assist in protecting their health and improving their working conditions. They endeavored to put fair trade principles to work at the micro-level by heeding the call of "*tangkilian*" and other mutual support movements in which informal workers groups and other networks are motivated and mobilized to patronize each other's products.

Suntaree Saengging noted some progress in Homenet Thailand's fair trade practice as indicated by a) increased awareness on consumers' health and environment resulting from the social movement's efforts for the past 30 years; b) heightened interest to produce organic food, natural dyed cloth, basketry from natural materials by HBW groups; c) Homenet Thailand's strong presence to push for



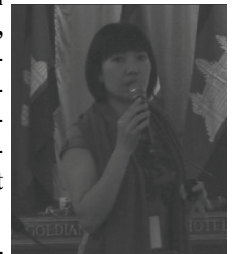
policies and laws towards fair conditions of work such as the Homeworkers Protection Act that ensure minimum wages and occupational safety and health; security scheme to ensure compensation on illness, disability, death and retirement pension; and the National Health Security Act 2002 whose main goal is to provide universal health care coverage to all Thai people.

However, there are still challenges, and much more needs to be done, particularly in the aspect of promotion and support from the State, fair wages/income protection and social protection, especially on disability, retirement pension and death.



Lucy Go of Malaysia talked about her present involvement in the eHomemakers project called "Salaam Wanita" whereby low income mothers handweave eco-baskets from recycled magazines to support their

families from their own homes. **Tran Tuyet Lan**, Craft Link General Manager, described Craft Link as a Fair Trade organization that helps traditional craft producers, ethnic minorities and disadvantaged groups revive their culture and improve their livelihoods through handicraft production and marketing.



Implementation and practice concerning effective involvement in Fair Trade were shared by resource persons representing the Artisans Association of Cambodia.

Men Sinoeun, Executive Director of AAC, discussed the Fair Trade principles including the requirements to become a member of the WFTO. He also shared the concept behind trade fairs by focusing on AAC's exposure of its member organizations to trade fairs as a significant tool for marketing products. **Chanta Nguon** reported on the Stung Tren Women's Development Center (SWDC), a social enterprise for Mekong Blue silk products and social welfare provider

for the villagers and surrounding community.

Sitann Nuth, AAC Consultant, presented the Fair Trade supply chain which he described as similar to a normal supply chain model of business. Likewise, **Sitann** also presented the Trade Facilitation practice of AAC which was described as "a general harmonization process of local/international trade practice and procedures, including activities and formalities involved in collecting, presenting, communicating and processing of data required for movement of goods in trade." He also gave an overview on effective pricing and costing in marketing home-based workers' products.





Norm Sina talked about the challenges in bringing homebased workers' products into markets, with special attention to the challenges faced by homebased workers in Siem Reap and Phnom Penh. **Alan Flux**, AAC Design/Marketing Advisor, used an assortment of homebased workers' creations, for added appreciation and understanding as he talked about product de-

sign and product development.

eHomemakers' resource person **Chong Sheau Ching** discussed the relevance of information technology to market products of homebased workers. She said that Fair Trade products no



longer need to rely on institutional bulk buyers alone since organizations with Fair Trade products can market on the internet by using basic ICT tools to make e-catalogues, event albums, and story-telling through videos to appeal to buyers' heartstrings.

Sapna Joshi, Regional Coordinator of Homenet South Asia (HNSA) presented the achievements of the SABAH Project initiated in 2008, whose aim was to strengthen livelihood initiatives for homebased workers in the SAARC region and to replicate SEWA's Trade Facilitation Centre. The overall result was complete acceptance of the program and highly motivated responses from homebased workers in the region.



PREPARING FOR THE MARKET : TRADE FAIR OR MELA

Alan Flux, AAC Design and Product Development Advisor, put forward some suggestions when planning for a trade fair or 'mela'. First is to define the event that you intend to participate in. Then plan and savor the experience of preparing a booth for you and your product. But before jumping to work details, know the difference between different types of events. A 'mela' or bazaar is a general fair open to the general public, not only tourists, to sell your products. Trade fair means selling internationally. It is addressing specific buyers with specific products, with registrations and catalogues. People come specifically to order so it is not really for casual sale or souvenir items. It usually lasts 3 to 4 days. Manufacturers display only 3-5 items then prepare a contract if buyers place orders. Prices must be in US dollars. Packaging should be thought about well. What are



the best products to bring? Small gift items, small toys, handicraft suitable for men, inexpensive things that reflect the countries from where they come from, and items that do not need sizing or repair.

Relative to Fair Trade and trade fairs, participants had the opportunity to consult with Fair Trade 'doctors' who made the rounds among country groups to share their expertise and answer questions. The doctors and their areas of expertise are as follows: **DRS Men Sinoeun** - Fair Trade Principles, **Alan Flux** - Design and Product Development, **Sitann Nuth** - Marketing, Export and Pricing; **Norm Sina and Norm Bunah** - Quality Control, and **Chong Sheau Ching** - ICT.



FIELD EXPOSURE

Participants went on field visit to group enterprise sites in Sangkat Toek Village located in the peri-urban area and the slum neighborhood of Teak Sin Khang Thbong in the central city of Siem Reap. The exposure trips opened opportunities for the participants to connect with fair trade issues in the communities visited. Participants were delighted as well with the hospitality shown by the Cambodian hosts by arranging a little side trip to appreciate stone carving, handicraft and jewelry which Siem Reap is noted for. After the field exposure, the solidarity night took place at the Goldiana Angkor Hotel's poolside with everyone having a wonderful time partaking of a buffet dinner,

singing and dancing the night away.



SUBREGIONAL GENERAL ASSEMBLY AND ELECTIONS

The Homenet SEA Subregional General Assembly (SGA) met on January 13 for the review and approval of the minutes of the previous SGA, to introduce Homenet Philippines' entry as endorsed by PATAMABA, indicative planning for the next three years, and election of the Subregional Council (which in turn elected the Executive Committee).

For years 2012 – 2014, basis for the indicative plan of Homenet Southeast Asia and the country Homenets as discussed during the SGA appears below:

- ✦ **Policy advocacy** – ratification of ILO 177, national policies on informal workers' rights and social protection(specifically in Indonesia, Thailand, Philippines)
- ✦ **Learning, sharing and exchange of knowledge and information** - documentation of good practices, educational exchange programs, video conferencing using ICT facilities
- ✦ **Economic development for HBWs** - market access and market development, push for fair trade, aim for HNSEA to become a Fair Trade organization.
- ✦ **Capacity building** – organizational development, holding of SRWs and replication or echoing at the national level.
- ✦ **Resource mobilization** - funders' forum (national level), training on proposal development

✦ **Organizing** - consolidation; development of Homenets (Homenet International/HNSEA and HNSA- autonomy and collaboration)

The Subregional Assembly elected the following to the Subregional Council: Men Sinoeun , Norm Bunak and Kieng Sabai from Cambodia; Somkid Duangngern

The Subregional Council (SRC) elected from among themselves members of the Executive Committee composed of Regional Coordinator – Rosalinda Pineda Ofreneo; National Coordinators – Lourdes Gula (Philippines), Cecilia Susiloretro (Indonesia), Somkid Duangngern (Thailand), Men Sinoeun (Cambodia), and Khantone Phamuang (Laos); Treasurer – Josephine 'Olive' Parilla; Secretary – Kieng Sabai; IEC Coordinator – Poonsap Tulaphan. Norm Bunak, was elected as Auditor

CAMBODIA	THAILAND	LAOS	INDONESIA	PHILIPPINES
Sinoeun	Somkid	Lamphan	Choirul	Rosalinda
Anak	Poonsap	Khanton	Cecilia	Lourdes
Sabay	HBW (to be known within 2 weeks)	Kongmany	HBW (to be known within 1 month)	Olive

HIGHLIGHTS OF HOMENET SEA'S THREE-YEAR ACCOMPLISHMENTS – 2009-2011

In December 2008, the Homenet SEA Subregional Assembly convened in Vientiane, Laos, and adopted a ten-point indicative plan for implementation in the next three years. Accomplishments under this plan were presented during the Homenet SEA Subregional Assembly held in Siem Reap, Cambodia, 13 January. Following are the highlights:

1. Establishment and strengthening of membership based organizations (MBOs)

PHILIPPINES: Founding Congress of Homenet Philippines (May 2011) composed of 27 organizations covering about 65,000 members; registration of Homenet Producers Cooperative; PATAMABA expansion to 17,860 members (in 11 regions, 44 provinces) with 3000 youth and 500 new members and four new MBO affiliates in urban centers



THAILAND: MBO organizing in key cities towards formalization of Homenet Thailand, now covering 2710 workers; 25 volunteer youth groups with 500 members formed for health promotion

INDONESIA: Congress and further organizing by HWPRI and other MBOs affiliated with Homenet Indonesia; maintenance of 11,000 organized HBWs; HBWs now organizing as trade union

CAMBODIA: Research towards organizing in Phnom Penh and Siem Reap by AAC; formation of 7 groups (225 workers); annual general meeting conducted

LAOS: Maintenance and establishment of new HBW groups in Vientiane

MALAYSIA: e-homemakers admitted to Homenet SEA as focal point for HBW organizing during subregional meeting in Yogyakarta, Oct. 2010

VIETNAM - Craft Link admitted to Homenet SEA as focal point for HBW organizing during subregional meeting in Bangkok, Feb. 2010; has 63 producer groups

2. Building capacities of HBWs in various areas: organizing and financial management, training, advocacy, enterprise development, fair trade and social marketing, occupational safety and health, etc.

Occupational safety and health training conducted in the Philippines, Cambodia, Laos, and Indonesia, and Thailand mostly in 2010 and under a project funded by FNV;



MBO, strategic organizing, financial management, and project management training for Philippines, Thailand and Cambodia in 2010 and 2011 under the Inclusive Urban Planning Project;

PHILIPPINES: National Conference – Workshop on Gender, Informal Work, Climate Change, and Participatory Disaster Risk Reduction and Management; Workshop on gender and governance; Workshop on communication strategies; Strategic planning workshops; Roundtable discussions on social protection, Magna Carta on Workers in Informal Employment all under the UN Women catalytic grant awarded to Homenet SEA



Indonesia – mapping, leadership training, IT, advocacy, organizational management, participatory rapid appraisal; MBO, community, and gender-based organizing; trainers' training for women leaders, occupational safety and health, cooperative management transformative women's leadership and management (local and national – 4x in 2010)

Cambodia – training in strategic organizing, marketing, design product development, trade fair preparation, women entrepreneurship

Malaysia- piloted a homebased ICT e-work scheme on data-entry and is still conducting training for a group of rural women including a group in the mountainous Borneo

Thailand - 20 groups trained in marketing bookkeeping and product development; vegetable gardening towards self-sufficient economy

Vietnam- continuing training on management skills, bookkeeping, costing and pricing, design, product development and final product finishing, marketing and quality control for producer groups

3. Advocacy for national policies for homebased workers and other informal workers.

THAILAND: Passage of Homeworkers' Protection Act in Sept. 2010 and training of 82 HBWs for dissemination of simplified version of the law

PHILIPPINES: Filing of Magna Carta for Workers in Informal Employment in both houses of Congress

INDONESIA: National Conference and draft policy on protection of homeworkers in the putting out system

4. Advocacy for the ratification of ILO Convention 177 on Homework.

Joint Conference Workshop of Homenet Southeast Asia and Homenet South Asia on “Building Visibility and Voice through Responsive Homebased Workers’ Organizations in Asia: Focus on ILO Convention 177 on Home Work,” held in Manila, 2-3 August 2010, with 12 countries participating.

Homenet SEA and Homenet Philippines communication and campaign plan launched during Informal Workers Day (May 6, 2011), with accompanying publications, pamphlets, and leaflets

In Indonesia, dissemination of leaflets on ILC 177; close networking with trade unions



5. Advocacy for the development of an ILO Convention on Domestic Work

Homenet Thailand and PATAMABA participated in workshops and campaigns for the Convention passed this year.

6. Improving access of homebased workers to social protection

Development of new social security scheme for Thailand with 30 percent government share in workers’ contributions; application of 1,355 to this scheme

Participation by Homenet SEA, Homenet Philippines, Homenet Thailand, and Homenet Indonesia in the Social Protection in Asia Research and Network- Building Program managed by the Institute for Human Development and the Institute of Development Studies resulting in the publication of policy briefs on social protection for all, social security, health insurance, occupational safety and health (with translation in local language)

Participation in ASEAN related and other international activities to advocate for the concerns of homebased and other informal workers.

Co-organized workshop on Women, Trade and Corporate Investments in the Fourth ASEAN Civil Society Conference in Bangkok, 20- 22 February, 2009.

Participation by Homenet Thailand in the ASEAN People’s Forum 18-20 October 2009, Cha-am, Thailand

Participation by PATAMABA, Homenet Thailand and Laos in the ASEAN ICT training for homebased workers at the Sukhotaithamthirat Open University, Bangkok, 13-24 February 2009.

Participation by Homenet Indonesia, Homenet Philippines, and Homenet Thailand in the SEATRANET Gender and Trade, October 2009.

Homenet SEA and Homenet Thailand participation in the 6th ASEAN People’s Forum in Hanoi, 24-27 September 2010.

Participation in the Beijing plus 15 NGO International Conference, Miriam College, August, 2009.

Panel presentation in the international women’s workshop on social solidarity economy, Montreal, Canada, October 2011.

Participation in the World Urban Forum, Rio de Janeiro, Brazil, April 2010.

Participation by Homenet SEA, PATAMABA, and Homenet Indonesia in the WIEGO Congress, Belo Horizonte, Brazil, April 2010

Participation in Annual Learning Meetings of the IUP Project in Ahmedabad, India in October 2010; and in Lima, Peru, in November, 2011.

Participation by Homenet Thailand and Homenet Indonesia in the WIEGO research project on the impact of the economic crisis on HBWs, 2010.

Plenary presentation in International Conference on Social Security in Globalizing Asia, UP SOLAIR, Nov. 17, 2011.



7. Improving participation of homebased workers, both women and men, in governance.

IUP Project in three countries developed an advocacy agenda through research that organized HBW groups can push local governments to adopt and implement in key cities (summaries produced and laid out as policy briefs for four countries)

HBWs in Thailand represented in Homeworkers’ Fund, National Health Security Office, Subcommittee on Social Security, etc.

HBWs in the Philippines represented in the Workers in the Informal Sector Council of the National Anti-Poverty Commission, the NEDA SDC Subcommittee on Social Protection, and the National Tripartite Advisory Council

HBWs in Indonesia conducted policy dialogues with local and national government bodies



8. Development and documentation of good practices in trade facilitation, OSH, participatory disaster management, food security, housing improvement, savings groups, etc.

AAC – trade facilitation

Craft Link – conduct of handicraft bazaars, cultural revival and exchange activities

Homenet Thailand – Model developed in 15 pilot areas on occupational safety and health being used by National Health Security Office to create an OSH program for informal workers

Indonesia – participatory disaster management; HWPRI Collection; maximum use of media (cultivating relations with journalists, media conferences, radio DVD, etc.

Laos-housing improvement and savings groups; establishment of training center

Philippines – food security; feasibility study on Budbod Sustansya

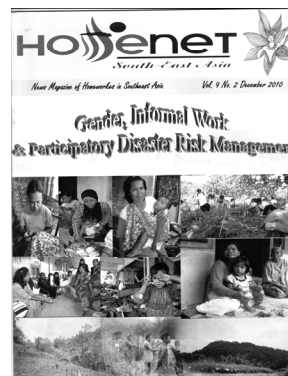
e-homemakers - enhanced its iCT integrated platform and enabled 22 other NGOs in Malaysia to use it for communication efficiency and productivity.



Subregional Workshop on occupational safety and health spearheaded by Homenet Thailand, April 2011. Subregional Workshop “Fair Trade and Home-based Workers’ Products,” 11-12 January 2012, Siem Reap, Cambodia



Homenet SEA Newsmagazines On Social Protection for All, Vol. 8, No. 1, October 2009 On Membership-Based Organizing: Learning from SEWA: Vo. 9, No. 1, April 2010 On Gender, Informal Work, and Participatory Disaster Risk Management, Vo. 9, No. 2, December 2010.



9. Continuing and improving knowledge sharing through website, magazine, participatory video, subregional workshops, etc.

Homenet SEA Subregional Workshops Training on Membership-Based Organizations of the poor (MBOP) 29 March to 2 April 2010, SEWA Academy, Ahmedabad India (five countries)

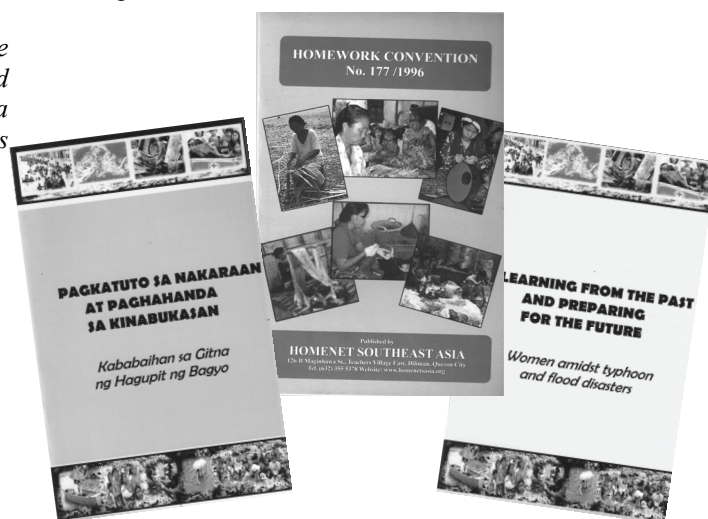


Subregional Workshop on “Gender, Informal Work, Climate Change, and Participatory Disaster Risk Reduction and Management,” 25-28 October 2010, Yogyakarta, Indonesia (7 countries) Homenet SEA visioning workshop (6 countries participating), April 2011.



Homenet SEA website continually updated and improved.

Other publications and knowledge products– Profile of Homebased Workers in the Urban Informal Economies of Southeast Asia; ASEAN policy brief; Disasters and Women in the Informal Economy; ILO Convention 177; Research briefs on urban HBWs (for four countries); updated Homenet SEA brochure



Fair Trade Principles & Compliance Requirements

AAC, according to Executive Director **Men Sinoeun**, is a membership based organization (MBO) that was established in 2001 through the efforts of WRF, UNDP, ILO to promote new approaches for socio-economic integration of landmine survivors, other with disabilities and vulnerable groups. AAC is committed to a strategy of evolving its member organizations into accomplished independent Social Enterprise. Being an FT association it provides commercial and capacity building services to social enterprises that work closely with disadvantaged people. It also creates and maintains employment opportunities for members through small and medium craft production and local/international sales. To achieve these, AAC provides services in the form of social enterprise development ; technical assistance in design/product/market development and market access; trade facilitation/export; product quality control; policy advocacy; and promotion of FT principles.

Sinoeun defines Fair Trade (FT) as a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South.

Fair Trade organizations like AAC have a clear commitment to Fair Trade as the principal core of their mission. They enjoy the support of consumers as they go about their engagement to actively support producers, conduct awareness raising activities and campaigns to change the rules and practice of conventional international trade. They can be recognized by the World Fair Trade Organization (WFTO) logo.

Fair Trade is more than just trading - it proves that greater justice in world trade is possible. It highlights the need for change in the rules and practice of conventional trade and shows how a successful business can also put people first. Fair trade seeks to transform the lives of poor producers in the developing world by enabling them to use their skills and resources to trade their way out of poverty. It is an alternative way of doing trade, where the well-being and livelihood of producers is considered as important as the profits of the company.

Finding Markets for HBW Products

Norm Sina gave a brief profile of HBWs in Cambodia which is comprised mostly of women. Raw materials are now getting scarce and these are usually sourced from the market, while some are obtained from middlemen. HBWs are gifted with their own skills and for most of them, they produce utilizing home-grown skills that were handed down to them many generations ago. The skills of HBWs in Phnom Penh and Siem Reap need to be upgraded so that they can create products that can compete in the world market. HBWs are own account, subcontracted, both own - account workers and subcontracted, and neighborhood-based.



There are two types of potential markets for HBW products in Cambodia – the *local market*, (for domestic and other buyers), which are exhibited or displayed in expatriate tourist markets, AAC shops, by consignment, central markets, through middlemen for local and cross-border markets; and the *export market*, via exhibition and AAC.

Some of the factors identified that impede or hamper the sales or marketing of their products in both local and international markets are: 1) Product quality not at par with acceptable standard; 2) Design is not unique; 3) Lack of information on the market; 4) Limited production capacity; 5) Language barrier; 6) Limited negotiation and communication skills; 7) Dependence on middlemen; 8) Lack of marketing and business management skills (accounting, bookkeeping, contract negotiation, etc).

Given the above challenges, the way forward is to form MBOs because this will help HBWs to expand and access markets effectively. According to Sinoeun, it takes about three to four years for producers (HBWs) to gain enough capacity to understand fair trade principles. But that partnership is needed so that the organization can enter the international trade or export market. The first priority is really building the producers' capacity - building enough of their capacity to meet order requirements.

Members of AAC had the opportunity to enjoy the following services - Exposure visit to local and international markets/accessories markets (2005 onwards); Participation in local and international trade fairs (2004 onwards); involvement in trade fair organized by AAC (2008-12).

Why trade fairs ?

As explained by Sinouen, trade fair is a significant tool for marketing because it is a place once visited provides exposure and thus initiates the learning process. The customer is exposed to a wide choice of products with competitive prices. This is how AAC exposes member organizations to capacitate them towards preparedness for a successful participation. It is a market place for business people to meet face to face, promote their enterprises, and products, to trade and network globally, and attract more buyers. This is the place where people gain better ideas on the latest trends, designs and for developing a new range of products.

By participating in trade fairs, AAC members are able to understand the market trends, thus, harmonize and develop their business towards this end. They create linkages, develop networks and buyers. Communication skills are improved and eventually, they achieve independence as they gain confidence in managing their enterprise. Travel also helps gain better understanding of different cultures and needs. More importantly, AAC keeps its staff and producers employed. Finally, AAC helps increase social participation with dignity.



TEN PRINCIPLES OF FAIR TRADE

The World Fair Trade Organization (WFTO) prescribes 10 principles or standards that FT organizations must follow, as subscribed to by AAC to support the growth of FT practice in Cambodia.



Creating opportunities for economically disadvantaged producers. Fair Trade is a strategy for poverty alleviation and sustainable development. Its purpose is to create opportunities for producers who have been economically disadvantaged or marginalized by the conventional trading system.

Transparency and accountability. Fair Trade involves transparent management and commercial relations to deal fairly and respectfully with trading partners.

Capacity building. Fair Trade is a means to develop producers' independence. Fair Trade relationships provide continuity, during which producers and their marketing organizations can improve their management skills and their access to new markets.

Promoting Fair Trade. Fair Trade Organizations raise awareness of Fair Trade and the possibility of greater justice in world trade. They provide their customers with information about the organization, the products, and in what conditions they are made. They use honest advertising and marketing techniques and aim for the highest standards in product quality and packing.

Payment of a fair price. A fair price in the regional or local context is one that has been agreed through dialogue and participation. It covers not only the costs of production but enables production which is socially just and environmentally sound. It provides fair pay to the producers and takes into account the principle of equal pay for equal work by

women and men. Fair Traders ensure prompt payment to their partners and, whenever possible, help producers with access to pre-harvest or pre-production financing.

Gender Equity. Fair Trade means that women's work is properly valued and rewarded. Women are always paid for their contribution to the production process and are empowered in their organizations.

Working conditions. Fair Trade means a safe and healthy working environment for producers. The participation of children (if any) does not adversely affect their well-being, security, educational requirements and need for play and conforms to the UN Convention on the Rights of the Child as well as the law and norms in the local context

Child Labor. Fair Trade Organizations respect the UN Convention on the Rights of the Child, as well as local laws and social norms in order to ensure that the participation of children in production processes of fairly traded articles (if any) does not adversely affect their well-being, security, educational requirements and need for play. Organizations working directly with informally organized producers disclose the involvement of children in production.

The Environment. Fair Trade actively encourages better environmental practices and the application of responsible methods of production.

Trade Relations. Fair Trade Organizations trade with concern for the social, economic and environmental well-being of marginalized small producers and do not maximize profit at their expense. They maintain long-term relationships based on solidarity, trust and mutual respect that contribute to the promotion and growth of Fair Trade. Whenever possible, producers are assisted with access to pre-harvest or pre-production advance payment.

SUNRISE ON SEKONG RIVER

Chanta Nguon shared the story of the Stung Tren Women's Development Center (SWDC), a Cambodian based humanitarian NGO focusing on developing life skills that assist in breaking the cycle of poverty and illiteracy for vulnerable people, especially women. SWDC projects are developed to empower and support, while providing knowledge and skills that have long term benefits. SWDC has developed two distinct purposes, as a social enterprise for Mekong Blue silk products, and as a social welfare provider for the village and surrounding community. SWDC trains women in silk production, gives them vocational training in traditional weaving and how to make patterns by 'Ikat' technique. Silks are then handcrafted to create scarves, clothing, home and fashion accessories under the Mekong Blue Label. Proceeds from the sales of Mekong Blue's product line go back to SWDC so that it can be used to train more women and help them earn income for their children and family. SWDC also supports the men by giving them training in carpentry. There are other activities taking place and promoted by SWDC such



as Education Program in Literacy and Health covering pre-school, childcare, child-growth monitoring, schooling sponsorship for children, sericulture training, nutrition, etc. Employment is provided at the Mekong Blue production center, café and gallery, and sericulture program. In the production center where dye is widely used, OSH standard is observed and applied. Living quarters are also provided to employees, who are usually housed 15 kilometers away from the production site.

As a registered Fair Trade organization, SWDC is able to provide producer a fair and livable income, and the good reputation helps to attract international Fair Trade buyers. By establishing the online store based in Tennessee USA, SWDC garnered more exposure like being invited by Vanderbilt University to present at the World Health Department and Panel on Social Enterprise as a role model of Good Practice in social enterprise. Likewise, Mekong Blue was named **Ambassador of Khmer Traditional Art** at the Folk Art Market in Santa Fe in July 2011.

Chanta said that there are challenges too, but the people are not stalled by these challenges. They always put in mind the teachings of the Dalai Lama – "to make something out of nothing."

Fair Trade Supply Chain

Sitann Nuth, AAC Consultant, reported on the Fair Trade supply chain which he described as similar to a normal supply chain model of business. The supply chain is a chain (system) of organizations, people, technology, activities, information and resources involved in moving a product or service from supplier to customer. Supply Chain activities start from natural resources, raw materials and components into a finished product brought to the end customer. Fair Trade (FT) in the Supply Chain means ensuring that the FT principles are implemented in every step of the process – starting from obtaining raw materials up to the final step when the product reaches the consumer who in turn must be willing to contribute the profit back to the producer.

All those involved in the chain have significant value. For example, the artisan community is the direct link to the market, but must be provided with incentives such as employment and wages, common facilitation center, assistance to optimize product development and quality for the target market. The local entrepreneur provides employment opportunities. Retail customers look for quality products at competitive prices, and are responsible in a way to bring light on the humane element behind each product and the impact of the purchase on artisan communities.

More than just trading, the relationship of those involved in the FT supply chain – **consumers, retailers, importers, exporters, NGOs, producers** – is based upon rights and responsibilities. For example, the producer's responsibility to consumer is to produce well designed products which the end consumer wants. The producer's rights vis a vis the retailer and importer include: a) to have a clear understanding of what products they need to produce, how many and when to deliver; and b) to feel secure in a long-term working relationship. Parallel are the producer's responsibilities: a) to produce good quality products based on the specifications agreed upon; b) to adhere to agreed lead times as far as possible; c) to be open and honest with regard to problems and to communicate effectively with their partners; and d) to be proactive with new ideas/better ways of working.

There are benefits to be derived from exercising the said rights and responsibilities. In **trading relationships**, for example, advanced and/or prompt payment begets secure financial planning; while transparency begets better financial performance, more option to spot opportunities and greater trust and loyalty, among others. The possibilities are endless for as long as the ten principles of FT are applied or implemented in the process such as fair wages and pricing, workplace conditions, gender equity, occupational safety and health, etc.



Product Costing and Pricing

Sitann Nuth also provided an overview of how to do effective pricing and costing in marketing homebased workers' products. He said that one needs at least six months of training to be able to develop the skill. He began by describing the steps when **costing and pricing your product**.

- Step 1 - Determine the cost of producing your product (material, labor, overhead).
- Step 2 - Determine distribution costs.
- Step 3 - Determine what the market will pay.
- Step 4 - Balance your costs with the market price.

He proceeded to define terms: **Costing** refers to the process of calculating all the expenses involved in the producing and selling a products, while **Pricing** refers to the process of determining the price for which your product will sell well and be more competitive. Items like raw materials and labor (yours and your employees') that are directly related to producing your product are often referred to as **Direct Costs**. **Overhead/Indirect Costs** are all of the general costs of operating your business that are not direct inputs into the production of your product, but which are necessary to keep your business running. **Overhead Costs** are often referred to as **indirect costs**.

For better understanding, given were some examples of overhead expenses including rental, telephone/fax, electricity and heat, maintenance/repairs, office supplies, insurance, professional services (such as accounting or legal), administrative salaries (Secretary), contingency allowance (for unanticipated expenses or repairs), taxes, selling and marketing expenses, and depreciation.

Indirect costs may be fixed or variable. **Fixed costs** are expenses that stay the same no matter how much or how little you produce, such as rental. **Variable costs** are expenses that will change depending on how much you produce, such as electricity.

Profit is deemed important because it is the money necessary to keep your production unit working and growing.

Another terminology that matters is **FOB (Freight On Board) Price** - the price at which the exporter sell your product to an importer. The FOB price is what your product costs when it is put on the ship or airplane at the port of shipment

There were pointers for balancing product price with market price (step 4):

What happens if your price is too low? a) You may not make a profit or make little profit; b) Receive more orders (on time, quality,...); or c) Lose customers.

What can you do if your price is too low? a) Double check that you did your costing correctly; b) Raise your profit margin!

What happens if your price is too high? a) You will not able to compete with a similar product; b) You will lose customers - they will buy a similar item with lower price; c) You may not sell sufficient quantity of product to cover your expenses or make a profit.

What can you do if your price is too high? a) Re-design your product (reduce materials, labor costs,...); b) Reduce indirect costs (move your business to less expensive place, etc); c) Reduce material cost (buy raw materials in bulk, find a new supplier; d) Reduce labor costs; e) Decrease your profit margin (different products in the same collection may have different profit margin).

Formulas meant to calculate product pricing and costing were provided as well as exercises to hone one's skill.

Trade Facilitation Practice of AAC

Sitann Nuth (AAC) defined **Trade Facilitation** as a general harmonization process of local/international trade practice and procedures, including activities and formalities involved in collecting, presenting, communicating and processing of data required for movement of goods in trade.



PRACTICAL CONCERNS TOWARD EFFECTIVE INVOLVEMENT IN FAIR TRADE

Product Design and Product Development

Alan Flux, AAC Design/Marketing Advisor, used an assortment of products, for added appreciation and understanding of his topic on product design and development. Following are some of the tips he gave:



With different products from other countries, there should be an appreciation if the quality of these products are good enough to travel to other countries. First example, when it comes to **COLOR** – in America or England - it is a requirement to know what colors these countries want, before embarking on actual design or production.

Moreover, just remember that **NOT** everyone can have a designer in their organization. To avoid being a copy cat, bear in mind the importance or better prioritize - national identity and promotion. There are a lot of Cambodian products, they are very nice. But it is very sad that we cannot see Cambodian products displayed in the shop in a big hotel in Siem Reap.

Your first consideration must be to design products that are usable at home. Then think - are the products that we produce worth that cost? Nobody needs anything that we already have **BUT** we need a necklace, for example, that is recycled from a cigarette lighter. Why? It gives value. Add value to make it attractive for buyers.

Recycling or upcycling is a very fashionable thing to do. For example look at this recycled bag, pretty isn't it? But why is it covered with plastic? Think of the Thai report, protect the environment, go back to nature. Isn't it unfair to the environment to use plastic when the bag is in fact already strong enough? And this other bag looks very strong too. But what's wrong with it? There is too much black color in the trimmings. I would say, not to use black – in an NGO bag. I was disappointed with some prod-



AAC members involved in trade facilitation are associations, private businesses managed by women, NGOs, self-help groups. With trade facilitation in Cambodia AAC finds itself working among potential local and international buyers, private sector/producers, government agencies, shipping and freight companies, banks, raw materials supplier, events management team, embassy trade department, local and international NGOs, associations and partners. AAC receives support from the government through various institutions and departments such as the Ministry of Commerce through its Trade Promotion Department, Ministry of Culture and Fine Arts, Ministry of Industry, Mine and Energy, Municipality Authority, Ministry of Interior, Ministry of Women's Affairs, Ministry of Agriculture's Department of Forestry and others.

AAC's Trade Facilitation experiences such as FT practice and lessons learned in SRWs, Trade Facilitation preparations, involvement in trade fairs and export promotion are shared with Homenet partners in South and Southeast Asia.

ucts on display in the booths in terms of design, color matching. This mid brown sack bag fabric – I think the color of the trimmings is too bright, too harsh – yellow, green, fuschia.



But look, there are positive items too. Look at this brown bag from Thailand, beautiful shape, nice brown color, and the material in natural earth color. This Thai scarf in vegetable dye, colored deep red orange, sold at \$7 (very affordable); 'Ikat' bag for cellphone at \$3; small 'Ikat' utility bag (light brown ikat).

So in terms of **COLOR**, you need to know **WHERE** and **WHO** your buyers are. You need to know **WHERE**, **WHAT** your images are. Look at this yellow and black plaid bag. Do you find it attractive? It looks alright, but westerners do not really appreciate yellow.

LABELING is very important to have in your product. For example this foot rug which will be sent to London –it would be great to have some information on the label, for product identification (including details of the product).

For this necklace, colors, again would depend where and who the target client is. This stuffed toy from Thailand - the raw material- - acrylic yarn (from China)is of good quality, craftsmanship is ok. But the material is not in line with fair trade. Compare it with this bracelet made from buffalo horn,, a natural raw material from Cambodia.

I also saw very attractive bags from Vietnam. Yes, I would like to commend the booth of Vietnam for having the most beautiful collection of small items – bags, color harmony.

A lot of things we are saying are not so easy to do. In AAC, we know from experience that it is not difficult to find things that we can get inspired by. So the time you spend on your product must be spent in a more conscious way to be able sell more, attract more client, attract market. Japan is a very interesting market, but with a sophisticated color scheme – blue, black, indigo, crimson, blue, soft soft yellow.

SOLIDARITY ECONOMY AND FAIR TRADE ISSUES IN INDONESIA

The presenters from Indonesia were **Choirul (Irul) Mapuduah**, an independent woman producer and trade union member; and **Cecilia Susiloretno**, MWPRI President. **Irul**, who has been very active in her community's 'Clean and



Green' program, is also the leader of a group comprised of homebased workers engaged in hand soap and flower handicraft

production made from recycled plastic waste.

Cecilia's presentation revealed that Indonesian Labor Laws still tend to favor the capitalist, profit-oriented approach, while subcontracting remains prevalent. Moreover, Fair Trade practice in Indonesia is not prospering due to the following: a) employers in all scales of business, use the subcontracting system and child workers to maximize efficiency and lessen operational costs; b) government, employers and workers are not aware of fair trade issues; c) decisions are done by the employers since there is no dialogue with the workers; d) absence of protection for subcontracted workers; e) little support for social responsibility; and f) competition in the

global market.

Despite existing conditions, HWPRI manages to apply and practice fair trade based on its own conception. Fair trade is practiced in the form of solidarity economy - as a Savings and Loan program in every HBW group; Cooperatives at the regency, municipal and provincial levels (Setara Women's Cooperative, HWPRI Cooperative for example); Credit Union; and Social Fund (for health, death/disaster).

In marketing their products, homebased workers in Indonesia face numerous challenges: a) products are 'less competitive' due to the free market policy - China products are sold at lower prices; b) homebased workers lack access to capital, ICT, and capacity building which they need to enhance their own potentials, especially in technology, design, marketing, and expansion of business networks; and c) lack of government policies and programs that promote sustainability of homebased workers' livelihood and products.



FAIR TRADE CONCERNS IN LAOS

Vahnola Intavong gave a brief background on Homenet Laos (HNL) whose formation was realized through the assistance of the Non-profit Association of Lao Development (NALD), now re-registered with the Ministry of Security of Lao PDR, 29 November 2011, under the name Environment Conservations and Community Development Association (ECCDA). The organization's mission is as follows: a) to improve the socio-economic well-being of the people (rural and urban), through community awareness and provision of education and technical know-how; b) to organize people, especially women and their groups and organizations, into self reliant groups and networks that can effectively and efficiently help themselves and one another.; and c) to mobilize resources to support the various networks at all levels.

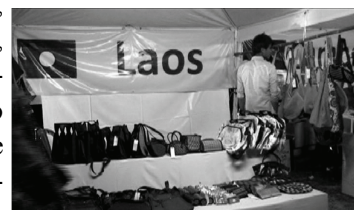
The objectives of ECCDA are: 1) To encourage community development through the establishment of groups and networks of home-based workers in order to upgrade labor skills and to improve product quality; 2) To develop knowledge and skills, making use of local technology, vocational training, language and computer skills, etc; 3) To promote microfinance such as savings groups, village banks, small enterprises for marketing products; and 4) To promote awareness on biodiversity and environmental protection among school children and communities, reduction of chemical fertilizer usage, and protection of



local forests and fish preservation areas.

Homenet Laos and ECCDA have jointly strategized to support the poor women and their families - they were given the opportunity to participate in product development and marketing workshops. Organizing started from small groups with regular meetings and activities. The members were made to feel that they were 'owners' of their organization by payment of membership fees and participation in activities meant to build the organization and improve their capabilities.

In Lao PDR, one of the most effective ways of empowering whole communities, especially the working poor, the women first of all, is through the village banks, whereby people not only establish savings groups among themselves but also learn together, help each other, strengthen their cultural ties, preserve the natural environment, and develop the skills to manage and lead. Village banks first began as pilot projects of the Lao Women's Union in the late nineties. After establishing (Cont'd p 14)



PRACTICING FAIR TRADE: MUTUAL AID AND SUPPORT MOVEMENT ON THE GROUND

The Philippine Report

In the Philippines, Maria Nebla, PATAMABA Region 6 (Western Visayas) President and Maria Concepcion delos Santos, President of PKKK (National Network of Rural Women in the Philippines), an affiliate organization of PATAMABA, described women homebased and informal workers' own conception of fair trade, to mean - 1) changes in macro-economic policies (including tariff reform, stopping smuggling and dumping of cheap foreign products) to give an even chance to local producers to have their rightful share of the domestic market; 2) enhancing sustainability of production by making use of locally available resources, catering to basic community needs, and safeguarding the environment; 3) ensuring workers' rights to just remuneration, job security, social protection, and safe working conditions; and 4) promoting gender equity through recognition of women's work, greater equality in the division of labor, and stronger participation of women in decision-making.

While many of them still face difficulties trying to counteract the negative effects of the crises on their livelihood and income, these women took on the challenge of finding new ways that will effectively enable them to increase their income and productivity, recognize and respect their participation, while having the opportunity to avail of services that can assist in protecting their health and improving their working conditions. They endeavored to put fair trade principles to work at the micro-level by heeding the call of **"tangkilikan"** and other mutual support movements in which informal workers groups and other networks are motivated and mobilized to patronize each other's products. They formed their own group enterprises, cooperatives and marketing networks in their communities to address the need for alternative livelihood in lieu of the dwindling resources and lack of opportunities. They promoted trade among themselves, and between themselves and with other consumer groups.

PATAMABA, for instance, practices several methods that demonstrate mutual support at the community level, such as the indigenous *Paluwagan* and *Damayan* social protection scheme, cooperatives (Tarlac), and social enterprises employing the **"tangkilikan"** approach (Angono, Balingasa), and an integrated microfinance piloted by PATAMABA Region 6 (Western



Visayas). PKKK (a network of rural women), on the other hand, advocates for fair trade where there are equitable access to income opportunities; local economy is strengthened, and people-oriented growth prevail over market-oriented policies, and food self-sufficiency over food importation. Towards this end, PKKK continues to support initiatives such as the women's market where PATAMABA and other organizations are able to showcase and market homebased and informal workers' products.

However, making these initiatives take root on the ground, require continuous support from governments, business groups, international development agencies, civil society and community-based organizations in terms of patronage and access to capital, technology, and marketing facilities, including e-commerce. And without the accompanying provisions for social protection, services, and assistance in the event of sudden loss of jobs or markets, death or illness in the family, natural disasters and other damaging events related to a fast deteriorating environment, mutual support groups, community enterprises and other forms of livelihood cannot be sustained. Of equal importance is the attention that must be given to improve the working conditions in such enterprises, with emphasis on occupational safety and health which has emerged as a major problem area in informal work. For women workers in particular, reproductive health services as well as facilities to address domestic and other forms of gender-based violence are essential.

Through the years the issues and concerns confronted by the HBW organizations in the Philippines remain the same - insufficient or lack of capital to sustain production; natural calamities such as floods and typhoons that hamper organizing as well as home-based workers' income generating activities; increased monthly contribution imposed by SSS for social protection benefits; emergency cases beyond control; local government officials who lack awareness on the issues of homebased and informal economy workers in the locality; and insufficient budget to conduct regular organizational monitoring in far flung areas.



FAIR TRADE PRACTICE

Homenet Thailand



Suntaree Saengging presented Homenet Thailand's fair trade practice as well as members' own conception of Fair Trade as follows:

1) That all involved are happy -- the stakeholders in the whole production cycle, (material producers, product producers, consumers), the community, public/society, and Mother Earth; and 2) That the homebased workers (as product producers) enjoy fair price/wages from consumers/employers (enough to maintain quality of life for themselves and their family members); 3) That there is fair profit sharing among group members; 4) That safety and health standards are observed during the production process; 5) That learning opportunities are offered; 6) That promotion and support from the state are provided; and 7) That recognition and acceptance from the community and society are felt.

The presenter noted some indicators of progress in Thailand's fair trade practice. For the past 30 years, efforts by the social movement helped to increase awareness on consumers' health and environment as evidenced by HBWs' motivation to produce organic food, natural-dyed cloth, basketry from natural materials, etc. Likewise, Homenet Thailand's strong presence affirms its position as the recognized movement of HBWs and informal workers which can push for policy and laws towards fair conditions of work (such as the HWs Protection Act that ensure minimum wages; OSH; Social Security Scheme to ensure compensation in case of illness, disability, death, as well as retirement pension; and the National Health Security Act 2002 whose main goal is to provide universal health care coverage to all Thai people).

However, challenges still linger, and much more needs to be done, particularly in the area of promotion and support from the State, fair wages/income protection and social protection, especially on disability, retirement pension and death. In terms of marketing HBWs products,



LAOS... (Con'td from p 12)

and refining the village bank system, it has spread to five provinces and 11 districts. Given the context in Lao PDR, the village bank system takes its general direction and guidance from the Socio-economic Development Plan of the Lao Government (2005-2010). Village banks are managed by elected committee members (who are mostly women) and are guided by community advisers. Each village has a representative in the zone committee, which in turn has representatives at the district level.

During the open forum, Dr. Ofreneo added that given the context of Laos, the Homenet there developed savings groups in cooperation with the Lao Women's Union in terms of production, train-



some issues surfaced: limited knowledge on business management because they cannot compete with industrial sectors/transnational companies; lack of skill to create attractive and appropriate product design that cater to the middle class and younger generation; limited budget for investment and for improvement of production process and promotion; and no interest on the part of children to continue homebased work.

RECAP OF COUNTRY PRESENTATIONS: These showed the various forms of solidarity economy/fair trade – Indonesia has cooperatives; Laos has savings groups; Philippines is engaged in various group enterprises and microfinance; Thailand has social protection schemes and other forms of assistance to market HBW products. In addition, the Thai government has a strong role in terms of promoting OSH, social protection and security, and helping ensure HBWs access to basic services such as health care. Also important are gender issues and concerns; occupational and reproductive health, as well as care of children. We cannot escape the context of the economic milieu that we work in. We should look at how to help and capacitate HBWs to cope with globalizing changes. For example, we cannot compete with prices of imported and smuggled (Chinese) goods.



ing and environmental protection. They use some of the savings fund on training, production, etc. The group has a special commitment to preserve the environment. Vanola said that cutting of wood is not good for the environment; we take care of the environment in Laos. There are many people from China who use technology, they create/develop products through machines. In comparison to this fully mechanized process, HBWs use only their hands to work in their homes, yet, they are not rewarded with good working conditions, and are not fully supported by the government. They are not paid commensurate to production costs including the time spent producing the products, and work under conditions that create ill effects on their health. Much has been done in terms of capacity building and skills training but more needs to be done in terms of advocacy work.

HOW CRAFT LINK PRACTICES FAIR TRADE IN VIETNAM



Tran Tuyet Lan, Craft Link General Manager, introduced Craft Link, founded in 1996, as a Vietnamese not-for-profit, Fair trade organization which helps ethnic minorities, disadvantaged groups and traditional craft producers to revive culture and improve livelihoods through handicraft production and marketing. Its objectives are: a) to help craft producers improve livelihoods through craft production and marketing; b) to help

revive and promote traditional culture and skills; and c) to educate the public about handicraft producers and their products.

Craft Link supports 63 artisan groups consisting of more than 6,000 people, 85% of whom are women. Of these numbers, 45% are ethnic minorities, 25% are disadvantaged groups, and 30% are traditional villagers. Profit derived from the business is used to develop new handicraft projects and conduct of capacity building activities to support artisan groups all over Vietnam. Training is provided to improve skills along the following line of work: book-keeping; costing and pricing; design; product development and product finishing; marketing and quality control. A new model of Fair trade supply chain is now applied and practiced in most of Craft Link's projects.

Craft Link joins trade fairs, handicraft bazaars, and small exhibitions. Fair trade principles are likewise incorporated in all the training materials which are disseminated through publications/promotion materials such as flyers, posters, books, web pages, etc. In line with Craft Link's FT practice, artisans' workplaces are upgraded, working tools are improved, and sufficient facilities in work spaces are provided. Artisans are also trained to use only safe materials to protect their health, and encouraged to use environmental friendly materials, including recycled materials.

Craft Link's practice of Fair Trade enjoys the support of WFTO and WFTO Asia. It also receives good market support from fair trade customers as well as from local and international NGOs. Nonetheless, there are also difficulties that Craft Link needs to surmount. Fair Trade is a new term in Vietnam - the public must be constantly updated with information to create awareness regarding the concept. Because of this, the 10 Fair Trade principles cannot be fully applied in Vietnam, especially with special groups, its status being still a developing country. Organizations who call themselves fair trade groups (even when they are not) create confusion among clients; the latter ultimately lose interest in real fair trade products. There are also some problems in marketing products - high labor cost, lack of raw materials increases product cost, artisans belong

to the poorest and most disadvantaged sector so product quality needs special attention, and customers have less budget for handicraft items.

We found these 63 groups, learned to adapt with them because most of them belong to the ethnic minority sector. In 1996, we knew so little. It was in the year 2000 when we attended a training session, that we applied as a fair trade organization (with AFTF). During our 10 years of existence, there were other difficulties that we could not solve. So we referred to the 10 criteria or principles. We realized that these become easier to apply when done the scientific way. There are issues for organizations that have started only in the last two years - the changing of mindset from charity to business, from NGO to business, became very difficult for them.

Sapna of HNSA asked how they see the amalgamation of FT principles at the organizational and at the homebased levels. Ching of eHomemakers also asked how does Craft Link, as a social enterprise, changed its management structure from charity to business. Lan replied that about six years earlier, she did not know about fair trade. The NGO is an NGO and we cannot do business. There is no policy to come up with social enterprise. We were not so advanced as the other companies. We did as our strategy - to persuade other NGOs to support us, to strengthen the organization. The difficulty is how to balance the NGO and the business aspect. There is a thin line between business and social enterprise. For example, at present we have to force producers to improve themselves in order to be competitive. Otherwise, there is no business and we will not thrive.



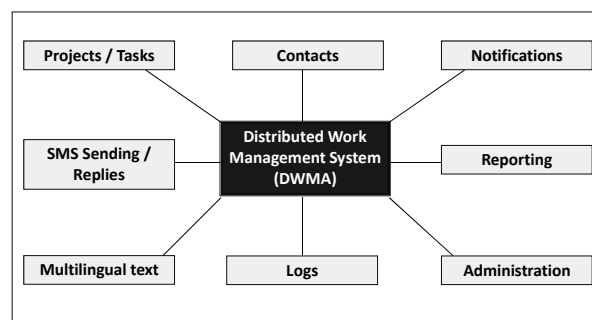
IT AND ITS RELEVANCE IN FAIR TRADE TO FACILITATE MARKETING OF HBW PRODUCTS: THE MALAYSIAN EXPERIENCE

Chong Sheau Ching reported on the relevance of information technology employed by eHomemakers to market the products of homebased workers. eHomemakers is Malaysia's only community network that promotes e-work from home, teleworking and the running of SOHO businesses through the use of ICTs. The e-community promotes self-help, business partnerships and entrepreneurship development for those who want to balance work and home life. eHomemakers has managed to bring women middle-class homemakers in the digital divide into the ICT (Internet communication technologies) age for social-economic self-reliance through telework, ICT usage, and homebased entrepreneurship. It also tirelessly and patiently advocates the plight of urban poor homeworkers who have been long neglected and left out of assistance.



tasks or orders via their mobile phones without leaving the house, while the DWMA coordinator can effectively manage the program without leaving the office for face-to-face meetings or engaging in long tedious phone calls. The unique feature of this system is the use of SMS/MMS as an alternative communication channel for the masses especially the urban poor who have no access to information.

Components in DWMA



eHomemakers promotes the use of ICTs such as mobile phones, computers, and Internet for both income-generating opportunities and grassroots-to-grassroots self-help. The target beneficiaries are women who aspire to become homeworkers, teleworkers or home-business owners. ICTs allow easy inter-connectivity between HBW especially those who are home bound such as patients of chronic illnesses. They use ICTs for discussion, home business dealings and mutual support. To this end, eHomemakers aims to overcome the extreme lack of information on working @ home by providing relevant information to women and forming them into a grassroots e-network, connecting thousands of women facing similar barriers and reversing the social prejudice homeworkers face in an informal economic sector.

Promotion of ICTs for income-generating opportunities allows diverse groups of women to work from home, empowering them to set up e-businesses, do freelance work or consultancies, and taking up telework. The women's home-based work is marketed through eHomemakers portals, www.ehomemakers.net, www.justmarketing.info, and printed newsletters.

eHomemakers has innovated an application (a software), the Distributed Work Management Application (DWMA), a PC-to-mobile collaborative tool on an integrated platform enables one team member to efficiently coordinate various income-generating schemes with as little costs as possible to eHomemakers. This simple and user-friendly tool allows people who are homebound due to illnesses or disability or high cost of travel to receive work

Using ICT to market Fair Trade products to individual consumers: Photo albums, u-tube videos, images, websites can all be done at a low cost nowadays. Fair Trade products no longer need to rely on just institutional bulk buyers, organizations with Fair Trade products can market on the internet by using basic ICT tools to make e-catalogues, event albums, and story-telling through videos to appeal to buyers' heartstrings. Social media is also used for marketing at a very low cost and such means enable direct reach to individual consumers.

The ability to cut production costs and admin costs, and improve efficiency is highly crucial for sustainability. Adopting technologies especially ICT is the way to go because ICTs are now accessible every where, and they are getting easier and easier to use for various purposes. They can thus make organizations selling Fair Trade products operate in a lean and efficient way.



STRENGTHENING LIVELIHOOD INITIATIVES FOR HOME BASED WORKERS IN SAARC REGION

Sapna Joshi, Regional Coordinator of Homenet South Asia (HNSA) gave a presentation on the SABAH (SAARC Business Association of HomeBased Workers), a project proposed by SEWA and HNSA that was approved for implementation in July 2008.

SABAH required a) A consensus decision on a uniform regional identity and brand name, under the 'Made in SAARC' umbrella; b) Synergy in the mission to reach out to the 50 million Homebased Workers in the SAARC region; and c) Replication of model based on SEWA's grassroots' women artisans' owned and managed enterprise, **SEWA Trade Facilitation Centre**.

SABAH's goals are a) poverty alleviation within the framework of SAARC objectives and MDGs – **Funded by SDF under the Social Window**; b) strengthening livelihoods of poor home-based workers (HBWs) through targeted capacity building, improved supply chain, high-quality production and strategic positioning in mainstream markets; and c) sharing and learning amongst HBWs of Member States to foster inclusive growth and development.

Activities to achieve increased impact and outcome are: a) Outreach Program to go beyond SABAH's coverage in the country, and to mobilize, organize, and link to the markets, about 10 to 15,000 homebased workers, in each country; b) Collective Marketing to strongly leverage on the unique strengths of the countries, converging on the USP of 'Made in SAARC', with the SEWA flagship brand of 'HANSIBA' in the lead, and India as the marketing hub of all SABAH products (shop-in-shop and retail formats); and c) Capacity building of homebased workers to advanced levels, and sustained efforts for production, quality systems and in-country marketing

With three years of project implementation, all member-states have completely taken up the initiative, with the earlier disparity in speeds, smoothening out – Sri Lanka, Afghanistan



and Bhutan have made rapid progress in the past six months and Bangladesh is on the move; Maldives has been unable to get off the ground. There was collective participation at the 16th SAARC Summit in Bhutan (April 2010) and 17th SAARC Summit in Maldives (November 2011) with the active support of the SAARC Secretariat, SDF, and host country governments. There were face to face interactions of HBWs, across countries, at regional exhibitions, trade fairs, events – their involvement and learning and sharing from

each other. Overall, there was complete acceptance of the program and highly motivated response from homebased workers in the region.

In terms of quantitative progress, about 50% of the SDF funds have been disbursed/expended in the project. Cost of delivery works out to 20-26%, currently, varied across countries. Project was completed in December 2011. Nepal and Pakistan have graduated into SABAH 2 with fresh infusion grant funds for the next three years (starting January 2012). Afghanistan, Bangladesh, Bhutan, Maldives and Sri Lanka will need another two years (more or less) to complete all stated activities (SABAH 1).

During the open forum, Dr. Inday Ofreno said she was inspired by the presentation and added that perhaps we can do the same in Southeast Asia. We can promote our food products because handicraft in the face of climate change is considered a luxury. Food in the face of climate change when cannot be sold can at least be eaten.

When asked about the structure, Sapna said that it is the form of a collective enterprise. If people come together, they can do processing of spices, for example. Then proceed to identifying product per country. Marketing assistance is at the national level. She agreed that food production is very good. Pakistan produces pickles and jam. Sri Lanka also specializes in food production.

NEWSBITS.....

Nepal Joint Meeting and Financial Management Training July 25-29, 2011

Representatives of Homenet Southeast Asia (HNSEA) and Homenet South Asia (HNSA) met in Nagarkot Hotel, Kathmandu, Nepal on July 25 to 29, 2011 to reflect on the experiences in relation to the Inclusive Cities Project and to plan for the remaining period of project implementation. With 42 participants comprised of country focal persons, program managers, and homebased workers from seven countries of Southeast Asia (Cambodia, Philippines, Thailand) and South Asia (India, Nepal, Pakistan and Bangladesh), a series of presentations and workshop activities made the participants fully understand the basic situation of homebased workers in each country, their livelihoods and working conditions. Discussions during the first three days focused on the progress of implementation of the projects in each country and experiences of homebased workers in relation to the long term goals of effective and democratic representation and advancement of the central needs and concerns of urban poor home-based workers.

The third day focused on milestones and careful planning of action

points for the remaining period of project implementation. A field visit to Bhaktapur provided opportunity for interaction to see how a group of Radi weavers was organized, issues affecting their work and living conditions and the benefits of being organized in terms of capacity building, creating awareness on relevant issues, and providing market linkages. The last two days focused on financial training and involved the country project accountants from both HNSEA and HNSA. Features of a software called FLAMINGO were introduced to the group for project management purposes that allows tracking of project activities in line with the logical framework.



SRW 2012 PHOTO GALLERY



Cambodia



Viet Nam



Laos



Philippines



Group Photos:
Thailand



Indonesia



NEWSBITS

HNSEA VISIONING and PLANNING 23-24 APRIL 2011, Sena Hotel, Bangkok, Thailand

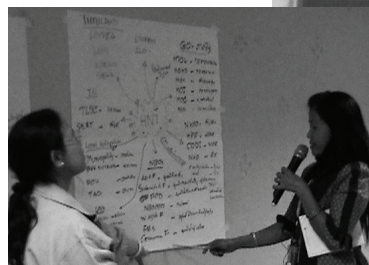
Homenet Southeast Asia conducted a two-day visioning exercise on 23-24 April 2011 at Sena Hotel in Bangkok. The workshop involved all participants from all the country Homenets from Cambodia, Laos, Philippines, Indonesia, Philippines, and the focal point for homebased workers in Malaysia (eHomemakers) in a series of workshops on current perspectives, experiences, and visions for the future.

Dave Spooner from WIEGO facilitated the two-day workshop. He started by requesting each Homenet to make a presentation on how they are organized and governed. There was also a presentation of the organizational structure to illustrate how each Homenet is being governed and also with whom they work and find support to carry out their objectives in working with homebased workers. This was presented by drawing a map illustrating its linkages and relationships with various stakeholders and partners from the local government, academe, national and international organizations.

Dave Spooner then presented the concept of membership based organizations (MBOs) and the processes in organizing, zeroing in on how each country Homenet works towards building MBOs. With the main challenges faced in developing and building MBOs, the homenet discussed their current and potential roles in encouraging and developing

MBOs among groups of homebased workers.

In the international context and perspective, there was also a presentation followed by a fruitful discussion on the international Homenet movement



and other related networks of informal economy workers, international trade unions, cooperatives, federations, and international NGOs working closely with homebased workers. The presentation focused on how they are organized and governed, their priorities, challenges and lessons that we can learn

from them in building MBOs.

The second day featured a lengthy discussion on the future directions, vision and rationale for working with other country Homenets. Priorities were set for more cooperation and joint activities that can be done laterally among the Homenet SEA countries and those from South Asia and probably later with Southern Europe that can be the basis for the long-term vision of forming an



international homebased workers' movement or Homenet International. However, it was greatly emphasized that subregional bodies such as HNSEA be maintained as an umbrella organization that will continue working and capacitating individual country Homenets.



Review Meeting & Project Management Training 5-8 December 2011, Dhaka

A Joint Meeting of HNSA and HNSEA was held at the Best Western Hotel in Dhaka, Bangladesh the objective of which was to jointly work towards the direction of the IUP program in the implementing countries. The second half of the meeting was aimed to enhance the capacity of the Program Managers of each country Homenet in project management. Seven countries were represented in the meeting—India, Nepal, Pakistan, Bangladesh, Philippines, Thailand, and Cambodia. The meeting was hosted by the Bangladesh Occupational Safety Health and Environment Foundation (OSHE).





Inclusive Cities Annual Learning Meeting Lima, Peru November 16 – 18, 2011

Homenet Southeast Asia was represented by Josephine “Olive” Parilla at the Annual Learning Meeting held in Lima, Peru on November 16-18, 2011. The attendees were updated on project developments, issues and as well as challenges. Katherine Grace, Grants Manager for the Gates Foundation provided some feedback and advice related to the project life in its’ remaining years. Discussions centered on **Sustaining Policy Change/ Institutionalizing Relationships**, specifically on “Who is responsible for sustaining policy of change-workers or the state?”, Several recommendations and suggestions were presented:

- Sustaining policy of change should come from the workers as they are those who continue implementation of the change over time, but, they must work with the state and keep organizing as a base.
 - Workers must have capacity to hold policymakers accountable
 - Ensure things are not simply “handed over” to the state, and that follow up is done over time by workers/MBOs

Suggestions for confronting the challenge related to workers keeping policymakers/government accountable for the implementation of a change as follows:

- Build MBOs at the district level so they can talk 1-1 with politicians (votes)
 - Work municipally and for national laws
- Work with Congress (law) as it has more power for change than President/Head of State
 - Need to work in a Congress’s term
- Obtain contracts with municipalities and work with other parts of the state such as the judicial system to claim and institutionalize rights to make sure national laws reflect desired worker group practices
- Get to the heart of the issue at the national (legal) level and then work at the local level (i.e. Peru’s strategy)
- Take legal victories (national) down to city and MBO level (e.g. Colombia Constitutional court challenge for equality of opportunity for Waste Pickers)
- Move from intention to mobilization
- Create consciousness of worker group issues and collaborate with other societal groups (students, consumers, and others)
- Use an intermediary (i.e. NGOs) in order to help make strategic linkages with other groups/government (A Peru Waste Picker organization has started this in three or four districts and could be transferrable for other organizations)

- Use a platform (i.e. special event/panel discussion) as a means to get message/advice on policymaking out; this can create influence and later can be an impetus to help make favorable decisions.
- Use a rights-based approach to emphasize the importance of the change/issue (i.e. framing issue as a right to culture, livelihood, dignity, etc.) and bring it to a high body such as the court to challenge it if necessary. (For example, Colombia waste pickers changing the constitution court law which put on hold contracting out solid waste management; Warwick arguing for Constitutional rights)
- Ensure MBO members have appropriate capacity/readiness/ability to participate in fora/platforms, negotiate with parties, push implementation of laws (i.e. waste pickers in Peru wanted to push a law for recyclers so a group of 300 waste pickers spoke to the President and were able to cite specific language from the country’s green politics to try to push to have a law passed. This has been 14 years in the making and could have been difficult without this cumulative experience)

The second day focused on the project Mid-term Review and issues discussed include: (1) Supporting MBOs for greater engagement and constructive dialogue with cities; (2) Supporting economic resilience for workers and their organizations ; (3) Increased social protection coverage for informal workers; (4) What changes in legal and regulatory frameworks (e.g. laws, court rulings) are required and where can the project contribute?.

The plenary discussions centered on where should the project focus its collective attention in terms of influence for the coming year and how to define a narrower agenda for greater focus and impact.

Plans for the Urban Forum in September 2012 were also discussed together with the Rio+20 Sustainability Summit in June and the ICA expo in Manchester on Cooperatives.

OSH TRAINING Samutsangorn, February 2011

