

## **Support of potential for the Association for Fair Trade – platform for support of fair trade in the Czech Republic**

### **Summary**

Description of the implementing organization:

Fairtrade Czech Republic (FTCR, earlier Association for Fairtrade) is a platform of non-governmental organizations and trading companies promoting the concept of 'fair trade' in the Czech Republic and through their activities fulfilling goals of the fair trade movement.

Description of the project:

The overall aim of the project was to contribute to awareness-raising about Fair Trade in the Czech Republic as an important mean of international cooperation and solidarity. In the frame of the project the role of the Czech Fair Trade Association as a national platform for development of Fair Trade was strengthened. Public institutions and political representation have been involved in the promotion of Fair Trade and the awareness of Czech consumers about Fair Trade has been raised.

Context of this evaluation:

Evaluation of this project lasted from August to November 2013 and the contracting authority was the Ministry of Foreign Affairs of the Czech Republic. The investigator was represented by an evaluation team of a Lead Evaluator Radka Bzonková and an Expert on entrepreneurship Lucie Bučinová.

### **Evaluation findings and conclusions**

Below is the evaluation summary according to the evaluation criteria:

<b>Evaluation criterion</b>	<b>Rating</b>
RELEVANCE	High
EFFECTIVENESS	High
EFFICIENCY	Rather high
SUSTAINABILITY	High
IMPACT	High

#### **RELEVANCE**

Relevance to the platform members rests mainly in offering good consultation services and transfer of factual information. Relevance to Czech society is in choosing appropriate and adapted models for a better announcement and dissemination of the Fair Trade idea. From this point of view, the most successful activity was a campaign Fairtrade cities, initiated in 2011, which was reinforced later on by two consecutive campaigns Fair Trade schools and Fair Trade churches. The only campaign model with no relevance to the Czech society was Fair Trade Bananas as the Czech market and Czech consumers appeared not to be ready for this kind of campaign, yet. Relevance to the international organization Fairtrade International rests in fulfilling its requirements for the 'fair trade' labeling and issuing the international licenses.

## EFFICIENCY

The evaluation team noticed a significant growth in personnel costs between years 2010-2011 (in 2011, the cost increase was about 63% as compared to year 2010). This cost growth occurred in categories: management, experts, and administrative support of the platform. Between years 2011-2012 the personnel costs remained same, but their distribution ratio changed. In 2012, there was a significant decrease in the personal costs in relation to the experts while the personal costs for the administrative support increased. The Evaluation team explicates that this trend signals a process of progressive stabilization of the institution Fairtrade Czech Republic (FTCR). However, the personal costs of the FTCR administration are still way below of a typical personal costs level occurring in a Prague region. Fairtrade Czech Republic deems a stable organization with a sufficient amount of own finances collected through the member and license fees. These collected funds have been used for co-financing of the personal and also travel costs. FTCR invested greatly in the platform and so has a strong interest in keeping the platform active and running. The FTCR secretariat is busy with supporting and licensing trading companies and is missing on staff needed for greater media publicity of Fairtrade in the Czech Republic.

## EFFECTIVENESS

In the evaluated period /2010-2012/, there was an increase in the retail turnover of Fairtrade products in the Czech Republic what is one of the indicators of the platform effectiveness. Comparing to the year 2011, in 2012 the product retail increased by 23%, making an amount of 113 million Czech Crones, plus 85% of the sold products were products with a label FAIRTRADE®. According to all interviewed member organizations and survey respondents, between the years 2010 - 2013, the awareness about Fair Trade products in the Czech Republic had really increased.

## SUSTAINABILITY

The platform is very sustainable due to the license fees gathered from the trading companies. The platform will be sustainable even if the financing provided by the Czech Development Agency is terminated but such a termination would probably disrupt the amount of FTCR activities (for example, the coordinator of the most successful campaign Fair Trade Cities is financed from the Czech Development Agency funds) and most likely cause decreasing of those activities focused on public awareness about Fair Trade in the Czech Republic.

## IMPACT

Among the quantifiable impacts of the platform's activities is the increased retail turnover of the Fairtrade products in the Czech Republic. According to the survey respondents, the public awareness about the Fair Trade products has been increasing during the last three years; this is also one of the impacts of the platform's activities. The platform Fairtrade Czech Republic has become a member of Fairtrade International and therefore has the ability to assign the 'fair trade' label according to the international standards.

## Recommendations:

Level	Recommendation	Addressee	Importance
Sector level	Ask for an independent report or survey monitoring the level of public awareness in the Czech society about Fair Trade products and about successful media strategies	Czech Development Agency	2
Project	Focus on a bigger impact of the campaigns on the	Fairtrade	1

level	society, plus go further on with the cooperation between Fair Trade cities, schools and churches (do not lead them through the registration process only)	Czech Republic	
Project level	Develop effective, more interesting and interactive media and marketing propagation	Fairtrade Czech Republic	1
Project level	Consider hiring one more manager (PR person) to take care of the media communication and awareness raising about the Fair Trade products in Czech mass media	Fairtrade Czech Republic	2
Project level	Increase and share information (knowledge management) among the trading companies and their staff about selling the Fair Trade products	Fairtrade Czech Republic	1

#### 1. Sector level, Czech Development Agency

Conduct an independent report or survey monitoring the level of public awareness in the Czech society about Fair Trade products and tracking successful media strategies

Explanation: The evaluation team has noticed an absence of any independent surveys or studies about the level of understanding the Fair Trade concept in the Czech society, about effectiveness of various media strategies in the Czech society, and about any problems the trading companies are facing.

#### 2. Project level, Fairtrade Czech Republic

Focus on a bigger impact of the campaigns on the society, plus go further on with the cooperation between Fair Trade cities, schools and churches (do not lead them through the registration process only)

Explanation: Based on the evaluation survey, the respondents are convinced that the platform should not extend the scale of its activities, but rather should focus on increasing the quality as well as visibility of the activities. Also, unification of the fair trade terminology, plus better quality of the overall advertising/ campaigning, and attractiveness of promotional items should be in focus of the future platform's activities.

#### 3. Project level, Fairtrade Czech Republic

Develop effective, more interesting and interactive media and marketing propagation

Explanation: According to the survey and the focus group respondents the platform should produce more printed materials and media products; it should be able to mediate various theme-related documentaries, exhibitions, etc. The platform should improve its communication with journalists. The platform should also improve its service for the trading companies by providing wider publicity to the Fair Trade topics (especially, engaging the countrywide mass media, TV stations, etc.), such as having common presentations on different sale spots/ fairs and exhibitions; offering high quality marketing promotions or even interactive workshops/ seminars/ fair trade breakfasts for store or restaurant personnel (assistances, waiters, etc.).

#### 4. Project level, Fairtrade Czech Republic

Consider hiring one more manager (PR person) to take care of the media communication and awareness raising about the Fair Trade products in Czech mass media

Explanation: The evaluation team highly recommends that the platform increases its media and PR activities – mission, that is hardly possible to achieve with the current platform's personnel capacities.

#### 5. Project level, Fairtrade Czech Republic

Increase and share information (knowledge management) among the trading companies and their staff about selling the Fair Trade products

Explanation: There should be workshops/ seminars systematically offered to the sellers, store personnel (store assistances, waiters, and all staff of the fair-trade coffee shops, restaurants and selling points). These workshops could be very useful and make the awareness raising about the Fair Trade concept among the Czech consumers more successful.