



*Fair Trade at Grassroots...*

# FAIR TRADE GROUP NEPAL



**ANNUAL REPORT**  
**2074/75 (2017/18)**

## Abbreviations

<b>AGM</b>	<b>Annual General Meeting</b>
<b>BDS</b>	<b>Business Development Service</b>
<b>BDO</b>	<b>Business Development Officer</b>
<b>CECI</b>	<b>Centre for International Studies and Cooperation</b>
<b>FHAN</b>	<b>Federation of Handicraft Associations of Nepal</b>
<b>FNCSI</b>	<b>Federation of Nepal Cottage and Small Industries</b>
<b>FTG Nepal</b>	<b>Fair Trade Group Nepal</b>
<b>FTGN- MOs</b>	<b>Fair Trade Group Nepal- Member Organizations</b>
<b>FTO</b>	<b>Fair Trade Organization</b>
<b>GIZ</b>	<b>Deutsche Gesellschaft für Internationale Zusammenarbeit</b>
<b>LCCI</b>	<b>Lalitpur Chamber of Commerce and Industry</b>
<b>SDG</b>	<b>Sustainable Development Goals</b>
<b>TEPC</b>	<b>Trade Export and Promotion Centre</b>
<b>WFTO</b>	<b>World Fair Trade Organization</b>

## EXECUTIVE SUMMARY

The newly elected board lead by Mr. Chitra Bahadur K.C. has taken the challenge to take Fair Trade Group Nepal to new height with shared vision commitment and solidarity of all its members.

This report presents our learning through the work that had been carried out in fiscal year of 2074/75 (2017/18). We take great pride in the very fact that we have accomplished most of our planned programmes and achieved the goals we set.

In alignment with the objective of the organization and the 10 principles of Fair Trade, FTG Nepal has been contributing to sustainable development by offering better trading conditions from the grassroots level such as securing rights for marginalized producers and workers.

Reflecting our key components of governance- transparency, participation, rule of law, support and solidarity; regular board meetings, formation of committees, annual review and planning workshops made it possible to take prompt and appropriate decisions that supported in the implementation of plans.

For the institutional development, throughout the year various workshops were organized on Strategic Planning, Impact Assessment, Advocacy and Taxation and several trainings were conducted to facilitate members.

Our member organizations were gratified with several awards and recognition which is evident to our combined effort. Disaster Relief support was provided to Janakpur Women's Development Centre at the time of despair caused by flood.

Various events, programs and activities such as World Fair Trade Day celebration, National Symposium, Policy gap analysis were conducted for the advocacy, lobbying, promotion and support of Fair Trade Movement in Nepal.

In order to provide market access and continuing our efforts to promote members' business, we continued with annual event- Fair Trade Christmas Bazaar organized in collaboration with GIZ Nepal and with the support of the German Embassy; participated in Ambiente Trade Show and 15<sup>th</sup> Handicraft Trade Fair and also awarded with Best Pavilion Award.

Fair Trade Group Nepal through partnership projects has been building capacity of its members, marginalized producers and communities in creating sustainable enterprise, developing skills and creating economic opportunities.

FTG Nepal Board members and Secretariat team participated in various events this year for strengthening relationship with Government, Individuals, Member Organizations and Like-minded Organizations.

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## NEWLY ELECTED BOARD



**From Left First Row Below:** Mr. Chitra Bahadur K.C., Chairperson, Mr. Chandra Prasad Kachhipati, Immediate Past Chairperson

**From Left Second Row:** Mr. Satyendra Khadgi, Joint Secretary, Mr. Ram Chandra Poudel, Executive Member, Ms. Rekha Aryal, Executive Member, Ms. Devi Lama, Executive Member,

**From Left Third Row:** Ms. Revita Shrestha, Treasurer, Mr. Kamal Narayan Shrestha, Secretary, Mr. Sunil Chitrakar, Vice Chairperson





## MESSAGE FROM CHAIR

The year 2074-75 was marked with our continuous endeavor to improve the well being and quality of life of marginalized producers and artisans and promote Fair Trade Values. Over the decade Fair Trade (FT) movement has been significantly growing in size and scope and has been able to garner great achievements.

Presently Fair Trade has secured its roots in Nepal and is growing and gaining recognition. Today Fair Trade Group (FTG) Nepal is one of the strong country network of fair trade organizations recognized within the country and at international level. Throughout the year, we have focused activities on livelihood support; capacitating and strengthening the skills and livelihood of the marginalized producers and promotion, advocacy and lobbying of Fair Trade values.

In the year, FTG Nepal conducted orientation programs, exhibitions, campaigns, symposium and more to promote and advocate and lobby at local & national level government to incorporate FT social values and benefits on their policy for Fair Trade at local and national level. We have been mobilizing members' skilled and experienced human resource to improve market through collaborative effort. We participated in several fairs and were awarded Best Pavilion in 15th Handicraft Trade Fair organized by FHAN.

Providing services to the members has been one of the core activities of FTG Nepal making continuous efforts to promote their businesses. Throughout the year, various activities were organized to provide business opportunities for the members. At the time of disaster, FTG Nepal has been at forefront in providing Disaster Relief Support.

Fair Trade Group Nepal through partnership projects has been building capacity of its

members, marginalized producers and communities in creating sustainable enterprise, developing skills and creating economic opportunities. Through the partnership project with Oxfam- Sustainable Livelihoods Support for the Earthquake Affected Families in Nepal, 2742 beneficiaries were reached constituting 78% women and 22% men.

FTG Nepal Board members and Secretariat team participated in various events this year that has strengthened the relationship with Government, Individuals, Member Organizations and Like-minded Organizations.

At the very heart of our activities, aligning with the objective of the organization and the 10 principles of Fair Trade, FTG Nepal has been contributing to sustainable development by offering better trading conditions from the grassroots level such as securing rights for marginalized producers and workers.

We thank all our member organizations, Government, individuals, partner organization, like-minded organizations and our dedicated secretariat staff for their support in delivering key results throughout the year. In the coming year, we look forward to demonstrating and encouraging fair trade practices among producer groups, enhancing solidarity among fair trading and likeminded organizations, partners and stakeholders at the national, regional and international level for further promotion of the Fair Trade Movement.

**CHITRA BAHADUR KC**

CHAIRPERSON

FAIR TRADE GROUP NEPAL

## OUR FOCUS

### Livelihood



Benefitting marginalized producers and artisans from various livelihood supported initiatives

### Membership



Growth in Membership has been focal area of Fair Trade Group Nepal

### Capacity Building



Building the capacity in creating sustainable enterprise, developing skills and creating economic opportunities

### Advocacy



Undertaking lobbying activities to influence policy makers to adopt Fair Trade friendly policies into mainstream trade policy

## IMPACT OF OUR COMBINED EFFORT



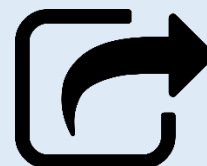
Direct Employment to more than 10,000 low-income producers



More than 45,000 individuals benefiting through Fair Trade activities



Geographic coverage in more than 30 districts



Exporting to more than 25 countries in North America, Europe, and Asia Pacific



Fair Trade handicraft exports accounts for 20% of Nepal's total handicraft export



## FAIR TRADE GROUP NEPAL- IN BRIEF

Fair Trade Group Nepal is a consortium of Fair Trading organizations in Nepal that seeks to promote the advancement of the socio-economic status of underprivileged producers across the country. Over the decade Fair Trade movement has been significantly growing in size and scope and has been able to garner great achievements. Presently Fair Trade has secured its roots in Nepal and is growing and gaining recognition. Thousands of producers have gained and broadened their market access; artisans have been successfully evolved as entrepreneurs.

### Our Vision

To improve the quality of life of low income groups of people through Fair Trade.

### Our Mission

To promote Fair Trade and provide support to its members and also to the likeminded organizations contributing towards sustainable livelihoods at the grass-root and local level through Fair Trade focused enterprises.





# SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD

**1** NO POVERTY

**2** ZERO HUNGER

**3** GOOD HEALTH AND WELL-BEING

**4** QUALITY EDUCATION

**5** GENDER EQUALITY

**6** CLEAN WATER AND SANITATION

**7** AFFORDABLE AND CLEAN ENERGY

**8** DECENT WORK AND ECONOMIC GROWTH

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE

**10** REDUCED INEQUALITIES

**11** SUSTAINABLE CITIES AND COMMUNITIES

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

**13** CLIMATE ACTION

**14** LIFE BELOW WATER

**15** LIFE ON LAND

**16** PEACE, JUSTICE AND STRONG INSTITUTIONS

**17** PARTNERSHIPS FOR THE GOALS

SUSTAINABLE DEVELOPMENT GOALS

## SUSTAINABLE DEVELOPMENT GOALS (SDGs) AND FAIR TRADE GROUP NEPAL

Fair Trade (FT) has proved to be a sustainable business model that helps reduce poverty to millions of farmers and producers in least developed countries. Fair Trade contributes in sustainable development with better working conditions, providing inclusive business approaches securing the rights of the marginalized producers and farmers and contributing in reduction of environmental degradation by means of sustainable production and consumption practices. Overall vision of Fair Trade movement is to create a just and sustainable global trading systems that give opportunities for marginalized people, producers and farmers to access the market and be part of global trading system that contributes in improvement of their livelihoods and develop their full human potentials.

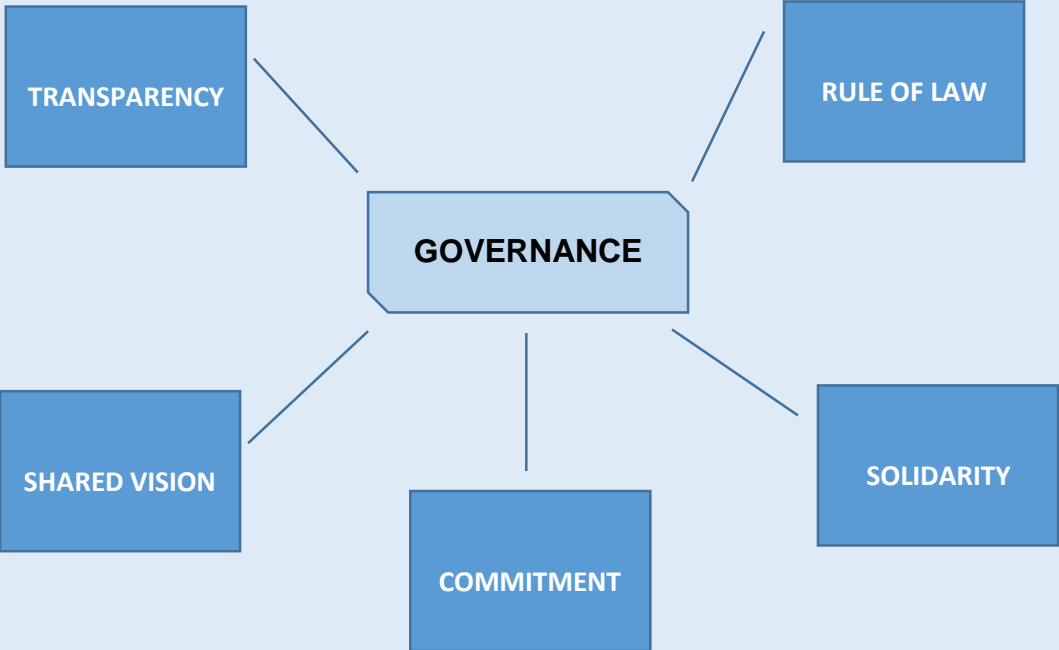
In alignment with the objective of the organization and the 10 principles of Fair Trade, FTG Nepal has been contributing to sustainable development by offering better trading conditions from the grassroots level such as securing rights for marginalized producers and workers. The contributions made by the activities conducted by FTG Nepal has subsequently resulted in the upliftment of producers' economic and social status and also has contributed to the national economy.

Economic empowerment of people has been the core principle of Fair Trade and it has been adopting people centered business practices promoting entrepreneurship, innovation and improvements. Fair Trade Group Nepal has been instrumental in creating rural enterprises with sustainable market access. Traditional skills and resources have been transformed into contemporary lifestyle products with successful intervention in product design, technology improvement and capacity building. FTG Nepal focuses on Handicraft/agro-food/Non-Timber Forest Product (NTFP) which plays a vital role to the underprivileged and marginalized workers providing them the workmanships, skills and helping the nation to reduce the unemployment rates.

FTG Nepal aims to expand its horizon through creating awareness on Fair Trade to customers, public, policy makers and different stakeholders. It will continue its effort through lobbying to the government to formulate conducive trade and industrial policies that encourages sustainable business practices.

# GOVERNANCE AND ORGANIZATIONAL DEVELOPMENT

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## Newly Elected Board members

Name	Title
Mr. Chitra Bahadur KC	Chairperson
Mr. Chandra Prasad Kachhipati	Immediate Past Chairperson
Mr. Sunil Chitrakar	Vice Chairperson
Mr. Kamal Narayan Shrestha	Secretary
Mr. Satyendra Khadgi	Joint Secretary
Ms. Revita Shrestha	Treasurer
Mr. Ram Chandra Poudel	Member
Ms. Rekha Aryal	Member
Ms. Devi Lama	Member
Ms. Meera Bhattarai	Advisor
Ms. Padmasana Shakya	Advisor
Mr. Kiran Bahadur Khadgi	Advisor

## Secretariat Team

1. Mr. Rabi Kayastha, Executive Director (Until May, 2018)
2. Ms. Rakshya Shah, Executive Director (From May, 2018)
3. Ms. Radhika Maskey Shrestha, Admin and Finance Manager
4. Ms. Shrizu Rajbhandari, Program Officer
5. Mr. Daiba (Gopal) Risal, Office Assistant

## OXFAM Project Team

1. Mr. Sunil Acharya, Team Leader
2. Ms. Vandana Atal, Monitoring and Evaluation Coordinator
3. Mr. Amir Maharjan, District Coordinator (Kathmandu)
4. Mr. Gyanendra Pathak, District Coordinator (Nuwakot)
5. Mr. Nirmala Lama, Business Development Officer
6. Mr. Govinda Ghimire, Business Development Officer
7. Ms. Shital Chitrakar, Finance and admin coordinator
8. Ms. Anjana Deula, Office assistant, Oxfam Project.

## Secretariat Strengthening

- **Office Management, Accounting and Marketing Training**

Ms. Radhika Maskey, Finance and Admin Manager participated in the training organized by Handicraft Design Centre. The training provided the clarity on proper file maintenance, updating organizational profile, vat updates and handling subordinates.

- **Taxation Workshop**

Ms. Radhika Maskey, Finance and Admin Manager and Ms. Shital Chitrakar, Finance Coordinator participated in the taxation workshop. The workshop helped clear confusion regarding the updated taxation system on E-TDS and tax deduction.

- **Recruitment**

Ms. Devi Lama resigned from the FTG Nepal Board from 16<sup>th</sup> July, 2018.

Mr. Rabi Kayastha resigned from the position of Director from May, 2018.

Ms. Rakshya Shah was appointed as Executive Director for Fair Trade Group Nepal Secretariat Office from May, 2018.

Likewise, Ms. Shital Chitrakar resigned from the position of Finance and Admin Officer to the project- Sustainable Livelihood support for Earthquake Affected Families in Nepal on 30 June 2018.

Ms. Sumika Pokhrel was appointed as Business Development Officer (BDO) for Enterprise Development Project (EDP) based in Pokhara Women's Skill Development Organization (PWSDO) from July 2018.

## Institutional Development 21<sup>st</sup> Annual General Meeting

The 21<sup>st</sup> Annual General Meeting was held on August 18, 2017 at Hotel Greenwich Village. Mr. Chandra Prasad Kachhipati, then Chairperson welcomed all the members and shared the delights of FTGN's achievements acknowledging the promotion of fair trade movement in Nepali context, networking, partnership and overall business performance of the members.



The AGM endorsed the annual progress report of FTGN for the financial year 2073/74, presented by Mr. Sunil Chitrakar, Secretary. Ms. Revita Shrestha, Treasurer of FTGN presented the audited financial report for the year 2073/74, and proposed the budget for the year 2074/75. Mr. Chitra Bahadur K.C., Vice-Chair ended the meeting by delivering a vote of thanks.

## Strategic Planning Workshop





Strategic planning workshop was organized on December 16-17, 2017 at Balthali Village Resort to set a strategic direction for three years (2018-2020). During the workshop, the newly elected board reviewed and assessed strategies and set strategic direction of FTGN. FTG Nepal's internal strength and weakness was assessed; attractive opportunities and serious threats under political, social, economic, legal, environmental and technological aspects were ascertained through open discussion regarding the future of the organization. The workshop had 27 participants consisting of Executive members of FTG Nepal and representatives of member organizations.

### Impact Assessment Workshop



A one day workshop on impact assessment study was organized by Fair Trade Group Nepal and conducted by Sarba Shanti Ayog (SSA) on 12<sup>th</sup> September 2017 at Yala Maya Kendra, Patan Dhoka, Nepal. The workshop was conducted with the objective to measure the impact and sustainability of the participants' activities with the producer groups and to organize and analyze the collected data. The resource person for the training cum workshop was Ms. Sujata Goswani from SSA, Kolkata. The workshop was attended by 27

participants from various FTG member organizations.

### Advocacy Workshop

A half-day advocacy workshop was organized for FTG Nepal Board on 13<sup>th</sup> September 2017. The development of strategic partnerships between SSA and FTG Nepal was discussed during the workshop.



The Board Members also discussed on the difference between advocacy and lobbying and shared on the successful advocacy campaign carried out by SSA and Sasha. An agreement on joint Fair Trade advocacy campaign by SSA and FTGN as part of capacity building of the Secretariat was decided in the workshop.

### Taxation Workshop



With the objective to address the need of the members to update taxation system in their organizations, Fair Trade Group Nepal organized a two days taxation workshop on December 28-29, 2017 at Yala Maya Kendra, Patan Dhoka. Building participants' tax proficiency was the focus of the workshop. There were around 23 participants attending. The workshop was facilitated by Mr. Mukunda Dev Adhikari and Mr. Shesh Mani Dahal. Employment Tax Issues, TDS on Service Fees, payment of Tax Exempt Organizations, Rents and Contractual payments, PAN and VAT queries on procurement, Taxation of business, Value Added Tax provisions, Tax Returns and Tax issues for Individuals were the issues highlighted during the workshop.

### Asia Fair Trade Summit 2018

World Fair Trade Organization-Asia (WFTO-Asia) and Fair Trade Group Nepal is co-organizing Asia Fair Trade Summit 2018 commencing from 22nd November to 25<sup>th</sup> November at Park Village Resort, Budhanilkantha. The Summit is being organized under the theme- "Fair Trade: A Path to Sustainable Development". Seven sub committees; Ceremony Committee, Finance, Fund raising and Procurement Committee, Registration and Accommodation Committee, Conference, Workshop and Logistics Committee, Market Place and Exhibition Committee, Publication and PR Committee and Volunteer and Management Committee have been formed by FTG Nepal and have been



diligently working in coordination with WFTO-Asia to make the high level event a success. Mr. Sunil Chitrakar, Vice-Chairperson, FTG Nepal is the Convener for the Asia Fair Trade Summit 2018.

S.No.	Sub-committee	Coordinator
1.	Ceremony Committee	Mr. Kiran Bahadur Khadgi
2.	Finance, Fund Raising and Procurement	Ms. Revita Shrestha
3.	Registration and Accommodation	Mr. Satyendra Khadgi
4.	Conference, Workshop and Logistics	Mr. Ram Chandra Poudel
5.	Marketplace and Exhibition	Mr. Kamal Narayan Shrestha
6.	Publication and PR	Mr. Chandra Prasad Kachhipati
7.	Volunteer and Management	Mr. Jhaindra Ghimire

## FTG NEPAL MEMBER ORGANIZATION

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We take great pride in solidarity of Fair Trade Members. Member Organizations are involved in uplifting producer's economic and social status. Most of our members work in handicraft, agro-food and non-timber forest sectors.



### Guaranteed Certified Fair Trade Member

Out of 25 member of FTG Nepal there are total of ten guaranteed certified Fair Trade members. This year, WEAN Multipurpose Cooperative completed Guarantee Cycle System.

## FTG Nepal Member Organization

The growth in membership count has been the focal area of FTG Nepal. Continuous efforts have been made to encourage organizations to join the network that have been proactively practicing Fair Trade. Membership applicants are reviewed and revised with much deliberation in par with the application procedures and criteria. The secretariat staffs carries out membership monitoring every year.

Following the rigorous monitoring of the compliance mandated by FTG Nepal, one new member successfully joined our FT network in 2074/75 (2017/18). The new member is:

- United Nepal Felt Industries



## Award and Recognition

FTG Nepal along with its member organizations works to excellence while carrying out all its activities which is evident through recognition and awards received from their combined effort.



- **Best Pavilion Award**

Fair Trade Group Nepal was awarded the Best Pavilion in 15th Handicraft Trade Fair organized by FHAN which was held from 17-21 November 2017 at Bhrikuti Mandap.

- **Mohammed Islam Design Awards 2017**

WEAN Multipurpose Cooperative won the grand prize of the 2017 Mohammed Islam Design Awards, held on the last day of the 14th WFTO Conference in Delhi, India, on 13 November 2017. Kumbeshwar Technical School received the Mohammed Islam Design Awards in the category "Best new home ware and textile product" and WSDO received third position in "Fashion Accessories" category at WFTO Conference in Delhi.

- **Honorable Member and Fair Trade Ambassador**

Ms. Meera Bhattarai, Founder Chair, FTG Nepal was awarded the prestigious Honorary Member of World Fair Trade Organization Global on 14th WFTO Biennial Conference, Delhi, India and at the same time was recognized as Fair Trade Ambassador by Fair Trade Forum India.



- **National Productivity Award and Export Excellency Award**

Manushi was recognized with two awards- National Productivity Award and Export Excellency Award by Lalitpur Chamber of Commerce and Industry (LCCI). Also, Sana Hastakala was awarded third position for Export Excellency Award by LCCI.

- **Recognition for Best Export**

FHAN recognized Association of Craft Producers, Get Paper Industry and Hatale Udhyog for their significant contribution in the Export of Nepali Handicraft in the year 2074/75.

### **Disaster Relief Support**



Fair Trade Group Nepal has always been the first to reach out at most difficult times. At the time of despair, FTG Nepal is and will continue to be at the forefront to provide our support.

During the year, flood in Janakpur region affected the lives damaging their homes, livestock and created hardship to producers, artisans and staff of Janakpur Women's Development Centre. Fair Trade Group Nepal decided to support these flood victims of the organization. As per the request of the organization, FTG Nepal provided support to normalize their life and for repairing the roofs of JWDC structures. Mr. Chitra Bahadur K.C., Chair FTG Nepal handed over the amount of Rs. 450,000 to Chair of JWDC.



## LOBBY, ADVOCACY AND PROMOTION OF FAIR TRADE

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Fair Trade Group Nepal has been mobilizing members' strength for lobbying at local & national level government to incorporate FT social values and benefits on their policy.

Over the years, FTG Nepal has been conducting orientation programs, exhibitions, campaigns and more to promote and advocate for Fair Trade.

Various events, programs and activities have been conducted to support Fair Trade Movement in Nepal.



## Lobby, Advocacy and Promotion Activities



### World Fair Trade Day

Fair Trade Group Nepal hosted World Fair Trade Day 2018 with the theme “Live Fair” on May 19, 2018. A rally was organized with the intent to create awareness and educate on Fair Trade. The rally walked through Kathmandu Durbar Square and concluded at Bhrikuti Mandap. Over 1200 participants from Member organizations, partners and like-minded organizations demonstrated their solidarity by coming together and jointly marching hand in hand forming human chain depicting stronger bond towards Fair Trade Movement.

### Fair Trade Talk Program in FM/ Television

On the occasion of Fair Trade Day Celebration, Fair Trade talk program was televised and broadcasted on 12 May, 2018. The talk program mainly emphasized on the overall contribution made by Fair Trade in providing employment opportunities to marginalized producers and its contribution in national economy as a whole. Further, unaddressed issues by the government related to tax exemption, recognition of Fair trade in government plans and policies and other challenges were also discussed.

FTGN Chairperson, Mr. Chitra Bahadur K.C and Immediate Past Chairperson, Mr. Chandra Prasad Kachhipati participated in the Television talk program. Similarly, Chairperson, Mr. Chitra Bahadur K.C and Vice Chairperson, Mr. Sunil Chitrakar participated in the FM talk program. The FM talk program was broadcasted by Ujyaalo FM covering the audiences of 5 project districts, also covering Pokhara (Kaski district) through local FM stations. Television program was broadcasted by Sagarmatha Television in its regular program: Rupanantaran.

## National Symposium



The National Symposium was held on May 27, 2018 at Himalayan Hotel, Lalitpur. The event was organized with the objective to educate on fair trade as a sustainable development model by developing a common understanding on the role and importance of fair trade on economic empowerment and development of a nation. During the Symposium, brief outcomes were shared on fair Trade works including viewpoint of grassroots level producers and possible opportunities and challenges to promote fair trade across various stakeholders and mainstreaming fair trade in national policies were explored.

The symposium commenced with welcoming remarks from Mr. Chitra Bahadur K.C., Chairperson of FTG Nepal. The event formally inaugurated with candle lighting ceremony by Chief Guest, Honorable Minister Mr. Rabindra Adhikari, Minister of Culture, Tourism and Civil Aviation. Dignitaries who presented their view on fair trade movement included Secretary of Ministry of Women, Children and Senior Citizen, Vice President of FNCSI, Executive Director of TEPC, Chairperson of FHAN. 107 individuals that included officials

from government organizations, private sectors, NGOs, INGOs, fair trade member organizations and producers participated in this event.



During the event, fair trade long term contributing producers were felicitated. Presentations were made on Fair Trade and its Significance by Mr. Chandra Prasad Kachhipati, Immediate Past Chair, FTG Nepal; Fair Trade as a Sustainable Development Model and ways to mainstream it in development process and national level policies by Mr. Bijendra Shakya and Impacts created by fair trade practices in producers' livelihood/income by Producers from Oxfam project. Q/A session on how fair trade can be integrated in mainstream development process and national trade policies was chaired by Dr. Uttam Kunwar. The event came to an end with closing remark from Mr. Kamal Narayan Shrestha, Secretary, FTG Nepal. The symposium held at national level proved to be beneficial in gaining recognition from government stakeholders, sensitization of students on Fair Trade practices and understanding of fair trade movement.



## Policy Gap Analysis

For the promotion of Fair Trade Policy and Practices among private and public sectors, policy gap analysis workshop was organized. 14 participants attended the workshop including FTG MOs, board members, FTGN staffs and Oxfam officials. The workshop was organized with the objective to identify policy gap in relation to government provisions on tax, subsidy, incentives, etc. Draft handbook in with compilation of major government's policies to promote business and enterprise suitable for fair trade member organizations and producers, also Policy gap analysis was prepared to promote advocacy strategy of FTGN.

## 14<sup>th</sup> WFTO Biennial Conference



World Fair Trade Organization- Global held its 14<sup>th</sup> WFTO Biennial Conference in Delhi, India from 9 to 13<sup>th</sup> November, 2017. The Conference was held with the theme- **'Fair Trade, A Path to Sustainable Development'**. The event was attended by more than 250 participants from different Fair Trade Organizations and businesses around

the world. Conference had discussions on crucial subjects as sustainable development or the changing Fair Trade market environment, and had the chance to gain knowledge directly from producers and influential business leaders. Kumbeshwar Technical School, Sana Hastakala, Association of Craft Producers, Wean Multipurpose Cooperative, New SADLE, Manushi, Folk Nepal, Get Paper Industry, Hatale Udhyog and a producer from Children Nepal participated in the Conference.

## MARKET ACCESS

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Fair Trade Group Nepal has been mobilizing members' skilled and experienced human resource to improve market through collaborative effort.

Providing services to the members has been one of the core activities of FTG Nepal and has been making continuous efforts to promote their businesses. Throughout the year, various activities were organized to provide business opportunities for the members.





## Market Access

### Fair Trade Christmas Bazaar

Fair Trade Group Nepal in collaboration with GIZ Nepal and support of the Embassy of Federal Republic of Germany has been annually organizing Fair Trade Christmas Bazaar. This year the event took place on 2<sup>nd</sup> December 2017 at International Sports Club.

The bazaar commenced with welcome remarks from Mr. Chitra Bahadur K.C., Chairperson FTG Nepal, followed by inaugural address by Dr. Elke Foerster, GIZ Country Director, upon the lighting of ceremonial lamp by Mr. Roland Schaefer, The Ambassador of the Federal Republic of Germany, the bazaar formally began. Vote of Thanks was offered by Mr. Kamal Narayan Shrestha, Secretary, FTG Nepal.



The fair provided a platform for FTG member organization, GIZ supported organization and OXFAM and FTG supported project to exhibit their products to gain market exposure and marketing linkage. The event was a combination of handicraft, agro and non-timber forest products, live demonstration of beading, candle making, carpet weaving and mithila painting, children engaging

activities such as block printing, face painting and Maverick Lego building and food stall that offered mulled wine, waffles, apple juice, newari cuisine, etc. There were a total of 61 exhibitors and around 2000 visitors.

### 15<sup>th</sup> Handicraft Trade Fair



FTG Nepal participated in 15<sup>th</sup> Handicraft Trade Fair at Bhrikuti Mandap from 17 to 21 November 2017 organized by Federation of Handicraft Association of Nepal (FHAN). During the exhibition, FTG Nepal and its 10 member organizations jointly participated under Fair Trade Pavilion. The showcase of products in the pavilion was designed to give an appeal of high-end retail store with home-living, fashion, accessories, and handicraft. It featured a beautiful blend of contemporary and traditional life style concept with the theme of 'Cute and Ugly' and 'Wabi Sabi'. Over 200,000 visitors attended the event and used a voting system to grade the displays. It is evident to the solidarity and strength of FTG Nepal which resulted in receiving Best Pavilion Award. The major purpose of FTG Nepal's participation in the fair was to advocate and promote Fair Trade

and extend its longstanding relationship with FHAN.

### Participation at Ambiente 2018



Seven Member Organizations introduced their products to Ambiente 2018 Trade Show held in Frankfurt, Germany from 9-13<sup>th</sup> February, 2018. They showcased wide range of product lines, from home to personal accessories under the theme Wabi sabi, cute and ugly and gifting.

The participating organizations were:

- Association of Craft Producers
- Kumbeshwar Technical School
- Mahaguthi Craft with Conscience
- Manushi
- Sana Hastakala
- Women's Skill Development Organization
- New SADLE

## A Shift to Economic Independence

Things fell apart for Gita Adhikari (Rimal), a native of Tarkeshwar Municipality, Nuwakot when her husband committed suicide leaving her with three daughters.

While she was still struggling to overcome this shocking reality, the city



*Gita Rimal at her shop*

“I thank Fair Trade Group Nepal for enhancing my business capacity and providing shop rent facilities as well as it has been positive to help my family to improve our living condition.”

was hit by the massive earthquake. Her house collapsed and she had limited access to relief support. With no other livelihood alternatives, she left her village with her children. She participated in a tailoring training supported by the project which capacitated and motivated to start her own tailoring business. In May 2017, she opened her tailoring shop in Bidur Municipality, Nuwakot with a small capital of NPR. 60,000. She borrowed money from relatives to buy stitching machine, inter-lock machine and other materials. Initially, she was not able meet

customer's demand due to financial constraint. On one hand, she was having difficulty to meet daily operation cost, while paying a rent of NPR 3,000 was challenging, on the other.

The project supported her by providing rent for six months and by making a hoarding board to promote her start-up. Things changed after the support as her



*Hoarding Board of Gita Rimal's Tailoring Shop*

business is operating smoothly and there has been gradual increment in the work volume. Now, she looks after her family's daily requirements and children's education from her own earning. With more than 20 regular customers, Gita earns around NPR 12,000 per month from her shop.

Gita says that “I thank Fair Trade Group Nepal for enhancing my business capacity and providing shop rent facilities as well as it has been positive to help my family to improve our living condition.”



## VISITORS AND VOLUNTEERING SERVICES

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In the year, FTG Nepal and the member organization had visitors to learn on the various activities and access their benefit on the producers. Volunteering services in partnership with supporting development organizations were provided to the member organizations based on need assessment.



## Visitors

- Stefano and Valentina from CTM Altromercato visited FTG Nepal Secretariat Office, WSDO and Children Nepal. The purpose of their visit was to access the operational work and activities carried out by member organizations and the benefits provided to the producers for designing and packaging Fair Trade Tourism Packages.

## Volunteering Services

FTG Nepal with continued partnership with CECI Unitererra has been providing volunteers and interns as per the need accessed from member organization. Members' capacity has been strengthened through volunteering services.

- Mr. James was assigned as Marketing and Communication Advisor at Organic World and Fair Future Pvt. Ltd from 1<sup>st</sup> September-30<sup>th</sup> April 2018. He had the responsibility to overlook in creating tools for communication and assist in design/production of promotional

materials, update website and develop media content and PR campaign.

- Ms. Jamie, Marketing and Communication Advisor volunteered for seven months from September to April at Coffee Cooperative Union Lalitpur. He assisted in developing tools for communication and designing, reviewing and developing techniques for promotion, publication, media content, PR campaign and updating website.
- Mr. Cohen Gilbert volunteered as a Handicraft Product Designer at FTG Nepal member organization Mahaguthi Craft with Conscience from February to March 2018. He is very experienced in product designing, especially in fabric product designs. He assisted in designing, producing (cutting, sewing) and marketing a wide variety of handicrafts, including shoes, coats, bags, belts, hats, pillows, blankets.



## PARTNERSHIP PROJECTS

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Fair Trade Group Nepal through partnership projects has been building capacity of its members, marginalized producers and communities in creating sustainable enterprise, developing skills and creating economic opportunities.



### OXFAM- Sustainable Livelihoods Support for Earthquake Affected Families in Nepal

Fair Trade Group Nepal has been implementing “Sustainable Livelihoods Support for the Earthquake Affected Families in Nepal” project with the financial and technical support from Oxfam Australia, Oxfam Intermon and Oxfam Solidarite in partnership with Oxfam in Nepal since January 2016. The project activities are being conducted in five earthquake-affected districts namely Sindhupalchowk, Nuwakot, Bhaktapur, Lalitpur and Kathmandu.

#### Major Interventions

- Skill development training
- Equipment and tools support
- Entrepreneurship development, Access to market (local and FTGN-MOs)
- Finance to the producers
- Enhance business capacity of the FTGN-MOs
- Provide business development services (BDS)
- Establishment of Fair Trade Outlet (FTO)
- Promotion of Fair Trade principles and practices.

#### Activities carried out under the project:

- **Equipment Support**

Producers/ Organization	Equipment
Lapsi producers of Devicaur	vaccum machine and pulping machine.
WEAN Cooperative	Solar dryer, grinding machine, weighing machine
ACP	layout table and washing machine
KTS	Sewing machine, computer, pantone home fashion interior support Pantone machine
Sana Hastakala	Leather sewing machine
Mahalaxmi Bunai Udhyog, Lalitpur	Supported weaving equipment (cone machine)
New SADLE	calendaring machine
Thaprek VDC of Nuwakot	Ginger processing unit
Betini, Nuwakot	Lokta processing unit

- **Trainings**



<b>Training</b>	<b>Location</b>	<b>Duration</b>	<b>Coordinated Member</b>
<b>Organic ginger production, processing and marketing training</b>	Thaprek	26 to 28 October, 2017	OWF
<b>Weaving knot Craft Training</b>	Nuwakot Betrawati	1 Nov to 30 Nov, 2017	Manushi
<b>Lapsi candy making training</b>	Chautara	8 Nov to 30 Nov, 2017	Manushi
<b>Lapsi candy and pickle making training</b>	WEAN Multipurpose Cooperative	19 Nov to 4 Nov, 2017	WEAN Multipurpose Cooperative
<b>Lapsi candy making training</b>	Devichour	13 Nov-17 Nov, 2017	Yak & Yeti
<b>Beads knitting training</b>	KRMEF	26 Nov to 25 Dec, 2017	KRMEF
<b>Basic Tailoring training</b>	New SADLE	25 Oct to 25 Jan, 2018	New SADLE
<b>Weaving Training</b>	ACP	Dec to Feb, 2018	ACP
<b>Advance Felt Training</b>		10 Dec to 25 Dec, 2017	
<b>Two SIYB Training- Tailoring and Knitting Producers</b>	Sankhu	17 Dec to 19 Dec, 2017	
<b>Lokta paper product making training</b>	THI	21 Dec to 10 Jan, 2018	THI
<b>Tailoring Training</b>	Kritipur	26 Dec to 28 Dec, 2017	Panga Women Saving and Credit Cooperative Ltd.
<b>Basic Tailoring Training</b>	Sindhupalchowk	Feb-April 2018	

### Establish Business Development Service Center

BDS Manager and two BDS officers were hired to carry out BDS related activities. The draft of BDS Business plan and BDS Center guideline was prepared. This will provide information on the operation level details, costing and 5 years projection to run the BDS Center. The newly recruited BDOs were mobilized in the field to carry out gap analysis to plan activities based on the gaps identified in each group. The gap analysis was done in Sindhupalchowk and Nuwakot.

#### Key Outcomes of the project

- Earthquake affected men and women producers are able to generate sustainable income.
- Improved market access of earthquake affected men and women producers and FTGN member organizations (FTGN-MOs).
- Enhance advocacy skills of FTGN member organization and producer's group.



## From Start- up to Providing Employment

Having spent 15 years in clickety-clack sound of handloom, Sunita Karmacharya, has grown as an entrepreneur providing employment to 17 women now. This 30-year-old young lady who is currently the chairperson of Manglachhen *Dhaka* Weaving group as well as proprietor of Manglachhen *Dhaka Udhog*, her *Dhaka* business was folded down soon after it was started. The massive earthquake hit Sunita's home, which she had turned into a working station with 5 used handlooms operated by 5 producers that she had bought with her savings. Influenced by her neighbors, she had bought these looms so that she could teach *Dhaka* weaving and help them generate income.



*Sunita Karmacharya, Bhaktapur*

Her determination to work independently was not shattered even after the earthquake, but the reconstruction of broken roof of her house left her with limited finance and less stability to grow in her business. The project identified her need and enthusiasm for start-up and supported her with 5 additional



*Sunita working in her handloom*

handlooms and rent support for three months.

Now, she could buy raw materials with the amount she had to pay rent. Sunita has provided employment to 17 women including higher secondary students who work part time after college. She has been linked to an organization called SABHA who has been placing regular orders to Sunita. Likewise, she has also been linked to Sana Hastakala, FTGN-MO, through "Meet your Producer" campaign and "Market Visit by Producers" from the project. She has registered her firm in PAN as it was a requirement from Sana Hastakala to do trade. Sunita faced ups and downs in continuing regular work due to reconstruction work, but gradually her capital and stock has increased and she has been linked to other two organizations besides her regular customers. There are even times when she cannot meet the demand of the clients due to large volume of work. She sold around NPR 187,000 of *Dhaka* products this year.



## FK Feasibility Study



Fair Trade Group Nepal entered into agreement with FK Norway with the purpose of developing exchange project between Fair Trade Group Nepal as a coordinating partner and ECOTA Fair Trade Forum as other partner. Feasibility Study was undertaken to develop the project idea, acquire an understanding of the opportunities, risks and requirements associated with the project.

Mr. Chitra Bahadur K.C. and Ms. Shrizu Rajbhandari from Fair Trade Group Nepal and Md. Monjurul Haque and Md. Nuruzzaman, from ECOTA Fair Trade Forum attended FK Norway's introduction seminar at Bangkok which was held from 10-12 August 2017. The seminar highlighted on the FK Norway partnership guidelines and provided the platform to approach the partners to have common understanding regarding the project and work collaboratively to design the project.



In order to understand the partner's perspective regarding the project approach and identify the core area to develop the project, partners meeting was organized on 15th -19th September at Bangladesh. Visit was made to Ecota Fair Trade Forum and to its member. The visit helped identify the organization's area of strengths in terms of their capacity and skills for the exchange and their interest to receive and send the participants for the project. Both the partners agreed to the identified areas of exchange and committed to work towards common goal.

### Trade Fair Live Fair Project

A research on gender perspective of Fair Trade Group Nepal members was carried out by WFTO Global under the Trade Fair Live Fair Project. WFTO Global's role in the large project was to lead on gender equity and its relationship with the distribution of power and value in the supply chains. Two reports were prepared namely Gender equity and women's rights in the workplace with a focus on the situation in Fair Trade Organizations and their best practices and challenges; Concrete recommendations on best practices

regarding regulations that promote gender equity (following collection of information and analysis of existing national rules/ regulations that contribute to gender equity). The reports built a base of direct evidence and information

to provide powerful, engaging and accessible message for use by the project partners to raise awareness and mobilize campaigns targeting citizens, policy makers and companies.

## **PARTICIPATION**

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FTG Nepal Board members and Secretariat team participated in various events this year for strengthening relationship with Government, Individuals, Member Organizations and Like-minded Organizations.

## Participation

### Consultation and Planning Workshop Towards Fair and Sustainable Supply Chains: Promoting Decent Work for Invisible Workers in Nepal

Ms. Shrizu Rajbhandari, FTG Secretariat participated in consultation and planning workshop towards Fair and Sustainable Supply Chains: Promoting Decent Work for Invisible Workers in Nepal organized by International Labour Organization. The workshop was organized to share on the organization and mobilization of home-based workers including issues, challenges and strategies.

### Round Table Meeting on “Trade and Investment Opportunities for Nepalese in Kazakhstan”



Mr. Chitra Bahadur K.C., Chairperson participated in a Round Table Meeting on “Trade and Investment Opportunities for Nepalese in Kazakhstan” organized by Asian Institute of Diplomacy and International Affairs (AIDIA).

### National Dialogue on Responsible Business: A Conference to Unite Business, Government and Civil Society in Support of Child Labor-Free Business Practices



Ms. Shrizu Rajbhandari participated in National Dialogue on Responsible Business: A Conference to Unite Business, Government and Civil Society in Support of Child Labor- Free Business Practices jointly organized by UNICEF, Nepal Country Office, Nepal Business Initiative (NBI) and GoodWeave International with the aim to catalyze a cohesive movement of business, NGOs, communities, and government bodies that are committed to ending child labor and forced labour in Nepal’s commercial sector and creating a profitable, responsible and ethical “Made in Nepal” brand.

### FHAN Annual General Meeting

Mr. Chitra Bahadur K.C., Chairperson attended the Federation of Handicraft Association of Nepal Annual General Meeting.

## Coffee symposium



Mr. Chitra Bahadur K.C., Chairperson participated in “Coffee Symposium” organized by ICCO Cooperation. Experts in production, trading, investments, entrepreneurship and policy reflected and took questions on the concurrent development, sustainability and

prosperous future prospects for Nepalese Specialty Coffee.

## Meeting with Rt. Honorable Prime Minister K.P. Oli

Mr. Sunil Chitrakar, Vice Chairperson attended meeting held with Honorable Prime Minister K.P. Oli, under the chairmanship of president of FHAN, Mr. Dharma Raj Shakya. The meeting was held to congratulate Honorable Prime Minister on becoming the 38<sup>th</sup> Prime Minister of Nepal and discuss on the General Assembly for General Assembly for World Craft Council; Construction of new Exhibition site; Formation of National Handicraft Development Council and Cash incentive on export of Handicraft Products.



# FINANCIAL SUMMARY

In the Fiscal Year of 2074/75, a total annual income of Rs 25,522,553.17 and total expenses of Rs 25,427,324.34 was accounted. Similarly, the net current assets of FTGN at the end of FY 2074/75 were Rs 4,527,450.69 and net worth of FTGN was Rs 12,167,082.03 at the end of the FY 2074/75.

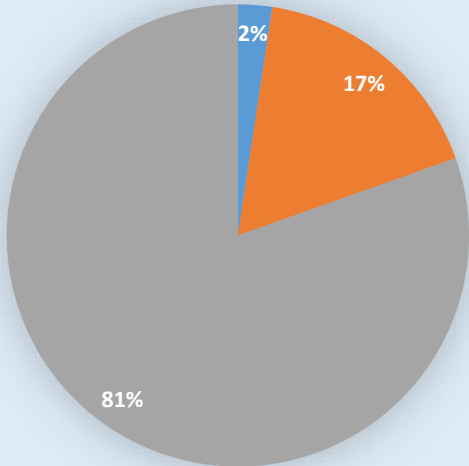
A total annual income from own source Rs 611,083.69 and other sources of Rs 4,684,905.70 for the FY 2074/75. Donor grants and contributions of Rs

20,226,563.78 added up to the stated income amount.

There was total expenses of Rs 25,427,324.34 in the FY 2074/75. The expenses were made under the headings of; General and Administrative Expenses of Rs 2,393,044.44 and own Programme costs, Donor funded projects expenses and Capital costs of Rs 22,097,511.46. Total expenses of Funded Programs was Rs 936,768.44.

## Income for the FY 2074-75

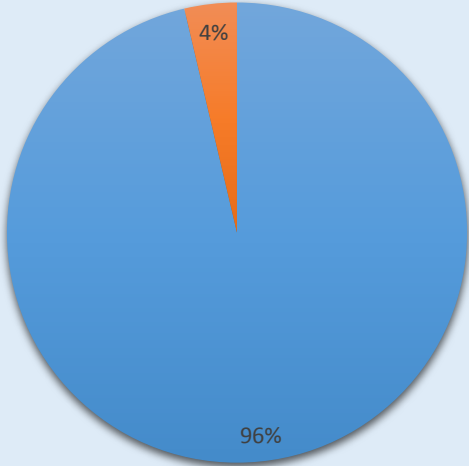
Total Income= Rs. 25,522,553.17



■ Total own Sources   ■ Total Other Sources   ■ Total Grants

## Expenditure for the FY 2074-75

Total Expenditure= 25,427,324.34



■ Expenditure   ■ Total of Funded Programs

## ACKNOWLEDGEMENT

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The solidarity among the members remains the greatest strength and blessing to FTG Nepal. This solidarity is what has made the network stronger and progressive. FTG Nepal expresses its sincere gratitude to the many individuals, member organizations, partner organizations, and the concerned offices of the Government of Nepal that have generously supported throughout the year. The board members who have significantly contributed in materializing the projects and provided moral support, guidance and encouragement throughout the year. All that we have been able to achieve is evident to the humble support of each and every individual we work with.

The Ministry of Commerce, government of Nepal, FHAN, Ministry of Industry, TEPC, GIZ, IM Swedish Development Partner, Oxfam Nepal, CECI, and other institutions have worked with us in different programmes and projects. We express our sincere gratitude to them all.

Moreover, our gratefulness also extends to our Secretariat team who have efficiently and professionally made it possible to carry out the programmes in most efficient and effective manner.



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Fair Trade Group Nepal

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## Member Organizations

1. Association for Craft producers (ACP)
2. Janakpur Women's Development Centre (JWDC)
3. Kumbeshwor Technical School (KTS)
4. Mahaguthi Craft with Conscience
5. Manushif
6. Sana Hastakala
7. Women's Skill Development Organization (WSDO)
8. New SADLE
9. Nepal Leprosy Trust (NLT)
10. CHILDREN - Nepal
11. Get Paper Industries (GPI)
12. Folk Nepal
13. Hatale Udhyog Pvt. Ltd.
14. WEAN Multi Purpose Cooperative Ltd.
15. Organic World and Fair Future Pvt. Ltd.
16. Sujha Traders and Exports
17. Yak and Yeti Enterprises Pvt Ltd
18. Tibetan Handicraft and Paper Pvt Ltd
19. Beautiful Coffee Nepal
20. SAARC Chamber Craft Village
21. Kevin Rohan Memorial Eco Foundation
22. Coffee Cooperative Union Lalitpur
23. Amrita Crafts (P) Ltd.
24. United Nepal Felt Industries Pvt. Ltd



*Fair Trade at Grassroots...*

[www.fairtradegroupnepal.org](http://www.fairtradegroupnepal.org)



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