



The Sustainable Trade and Innovation Centre (STIC)

European Hub Consultation

Report

PREFACE

By STIC President Minister Ben Ngubane, South Africa

After the failure of the WTO Ministerial Conference an initiative as STIC will be even more important as a trust builder firstly. But also because STIC is focusing on the Global Value Chain Management, a field of rapid changes, representing 2/3 of the global trade.

STIC is an alliance between Governments, Business and Civil Society. It can produce change. as the case of the medicines and drugs demonstrates. To accelerate the transition towards sustainable development, we need “leaders”, catalysts of change from the Governmental, Business and Civil Society sides. We need also “champions” demonstrating that partnership towards sustainable trade are already working between Developed and Developing countries, Multinationals and their Suppliers, the Fair Trade Movement and Southern producers, Companies and the Financial Sector.

This is why we wish to bring these “leaders and champions” together for the first time in February 2004 in Brussels with the participation of high level delegates of Developing Countries, of the European Union and CEO’s. We would replicate this exercise later on other continents.

We are grateful to all those organisations which are willing to pool in a common basket their tools in support to Southern producers: Governments, UN agencies, Chambers of Commerce, NGO’s, Companies. We hope that your Governments, Companies, NGO’s will in a way or another join the “power of synergies group” and become a STIC partner.

I’m welcoming the report of the European Consultation which took place during one year. I had myself the opportunity to chair some of these meetings. I value the partnerships proposed and look forward to meet Sustainable Trade European Leaders and Champions in Brussels in February 2004.

So far, producers of Developing Countries have a little say in the way the Developed Countries and Multinationals design their purchasing policies towards sustainable development. This is what we want to change. We want to build trust, favour innovation, offer a new market intelligence approach, and make use of the best of the Doha’s agenda, in particular focusing our efforts on “capacity building”.

Technological Innovation and Partnership (1)

I do not need to reiterate here the compelling evidence that economic growth over the past decade had been led by technological innovation in the developed world. It is also undisputed that access to existing technology, and the development of new technology, are necessary conditions for sustainable development. It is, thus, with great concern that we are witnessing the further widening of the technology divide between the developed and developing worlds. It is indeed most worrying that in most of our developing countries, the key indicators of technology innovation, such as the number of small and medium industry start-ups, or the number of patents filed, are falling further and further behind those of developed countries. The situation is more than alarming and warrants urgent action. The technology divide threatens the very foundations of sustainable development, and is unlikely to diminish without purposeful intervention by developed and developing countries alike

I would, thus, like to suggest that rather than promoting the traditional model of technology transfer, we should seek to foster collaboration based on a mutually beneficial technology partnership between developed and developing partners, as a mechanism which can effectively address these concerns and deliver the required results. This new approach will for example enable developing countries to participate in the development and adaptation of technology, and will include the undertaking of pilot projects within developing countries. Whilst it would of course be essential to focus on capacity building and human resource development, I must stress that a donor-driven model for such partnerships will not be sustainable. Rather considerations such as critical mass in, and the competitiveness and affordability of technologies, suggest that we should for example look at the creation of regionally-shared systems of centres of excellence in science and technology. These

centres should be established in developing countries, with the support of developed partners, and, critically important, be focused on science and technology priorities, relevant to the needs of the developing world.

Initiatives such as the proposed establishment of centres of excellence, need, however, to be complemented by specific actions since technologies addressing the needs of the poor and the protecting the environment, will not be developed at a sufficiently rapid rate, if the process is left to market forces alone.

I would like to suggest that these actions should include:

- The setting of specific targets, as percentages of GDP, for investment in research and development by developing countries, as well as for allocations by developed countries from development co-operation programmes;
- The encouraging of investments by multinationals operating in developing countries in local research and development programmes;
- The opening of large multilateral science and technology programmes to effective developing country participation;
- The using of procurement budgets in developing countries to introduce new technologies in national systems; and
- The promotion by developing countries of an educational and social environment receptive to technology and innovation

These actions should be supplemented with policy interventions setting standards for and overcoming barriers to technology development.

Labelling Standards and Capacity Building (2)

Prior agreement on the definition of environmental goods and services and how eco-labelling supports the creation of equitable and fair market access is a necessity if such initiatives are to contribute positively to developing country economies. We must caution however, against the inadvertent establishment of further barriers to market access through the introduction of new labelling standards. In fact, instead of eco-labelling in the short term, what we actually should catalyse and resource are a series of capacity building initiatives for developing countries. This should be the building of human capital to implement sustainable development as well as capacity at organizational and governance level. We need to organize that developing countries are advantaged, and not the other way around. The implementation of the global sustainable development agenda must ensure a better quality of life for all the world, especially the poorer countries.

As we are aware, these standards have largely emanated from a growing awareness of sustainable development, being expressed through purchasing preferences in especially developed countries. Indeed, access to certain markets increasingly depends on producers ability to demonstrate to government, corporate and individual consumers that products have been produced according to what we could term the principles of sustainable development.

Compliance with relevant standards are, thus, for example required in areas such as fisheries or forest management; energy efficiency; human health and safety; hazardous waste management; or labour standards.

These standards are intended to favour sustainable producers although their impact might not necessarily advance sustainable development as many developing countries are now being excluded from markets, thus failing the economic growth and poverty eradication criteria, not because of an unwillingness to comply, but due to a fundamental lack of institutional and technical capacity. This situation must be corrected – but what is needed?

To my mind there are five areas of concern which must be addressed:

- Firstly, the lack of Southern participation in the development of standards, since it is imperative that standards reflect global values and priorities.
- Secondly, the lack of knowledge and technical resources in developing countries, such as for example recognised certification bodies, necessary to comply with these requirements.
- Thirdly, developing country producers' lack of financial resources which for example excludes them from expensive certification mechanisms.
- Fourthly, the questionable scientific basis underlying some standards, informed by subjective value rather than firm scientific criteria; and

- Fifthly, the impact of unilateralism, which by allowing the operation of different standards in different countries, is not only proving costly to exporters but act as a barrier to some markets

In order to appropriately address these concerns, it is imperative that developing countries be equipped with institutions which, quite simply, could help them identify which standards are required for which markets. These institutions should possess the required the scientific and technical capacity to assess foreign standards and to evaluate their relevance within domestic contexts. The nations of the South furthermore need national standards bodies that are well-resourced and able to participate in setting international standards. They also need competitive certification service industries as well as competent accreditation bodies.

It is, thus, clear, that if social and environmental standards are to be effective in promoting equitable, sustainable trade, then developing countries must be provided with the capacity to effectively integrate them with their export strategies. Such an effort will require significant levels of technical assistance. It is a policy and resource challenge of the utmost importance, which must be met by developed and developing countries alike.

Ben Ngubane
STIC President
Minister of Science and Technology, South Africa.

- (1) Excerpts. Minister Ngubane speech at the opening of the Cancun Trade and Development Symposium. 11.09.03
- (2) Excerpts. Minister Ngubane speech at the WTO plenary session on Social and Eco-labelling at the Sustainable Trade Symposium. Cancun 11.09.03

1. Post-Cancun

The outcomes of the Cancun events are inevitably inviting to review how best can STIC-Europe support STIC International aim to promote trade between developing countries and developed countries on sustainable basis through developing innovative skills to developing country producers. It is also aiming to support and assist buyers in developed countries in implementing sustainable purchasing strategies on buying environmentally friendly and ethically responsible products and managing the supply chain.

1. the European Union has, as a minimum, an “image” problem. *“We are in a new era of trade policy. The Cancun outcome from IATP’s perspective is that it signals the beginning of a new era at the WTO the fulfillment of the promise of a truly inclusive world trade organization. The first signs of developing world resistance to the EU and the U.S. took place in the closing minutes of the Cancun Ministerial. Mark Ritchie, IATP.*
2. European Countries, as developed countries, should undergo the required structural adjustment in their economies advocated by Minister Ngubane.
3. A partnership between India, South Africa and Brazil, as leading Developing Countries when it comes to address sustainable trade and innovation, is in the shaping.
4. Trade between Companies represents 2/3 of international trade.
5. The global commodity chain is becoming central.
6. Priority is no more to “produce more” but to “share more” . To share knowledge, costs and profits. The costs of environmental and or social requirements should be better distributed along the commodity chain and not be a burden for the southern producer. To “share more request a new vision of the world, of values driving the world, the potential of the developing countries market and the consequences of the new paradigm towards transparency/accountability/participation.
7. South-south partnerships and joint-venture should be encouraged, but the existing EU funding support mechanisms are not tailored accordingly.

As underlined by Minister Ngubane, in Cancun, STIC is very much in line with the WSSD Plan of Implementation commitments to

- **Support trade in environmentally friendly and organic products**
- **Strengthen and target Trade Related Technical Assistance and Cooperation agreements**
- **Support actions of Corporate Social Responsibility.** We indeed consider that, for a Company, changing its purchasing policy towards sustainability and reporting, is – together with sustainable investments - the best way to put CSR in practice.

STIC is also engineered to address three of the positive dimensions of the Doha agreement regarding the objective of sustainable development :

- **Capacity building** (in practice a completely under-exploited domain, though part of the Doha specific agenda) ;
- **Access for environment goods and services**, (our objective here is to help developing countries to present their sustainable products and services priorities list) ;
- **Market differentiation** (labelling and geographical indications as Bio-Regions)

Our initial ideas regarding STIC’s mandate are that this is a field for

- Innovation, including towards new products, services and markets
- New forms of public-private partnership, in particular related to standards setting, testing procedures, labelling, audit and certification
- New forms of dialogue between Vendors (of Developing Countries) and Buyers, in particular Multinationals and Public Authorities leading, to the joint drafting of purchasing guidelines.

Sustainable Trade : 5 Objectives

- Generates economic values
- Reduces poverty and inequalities
- Regenerates the environmental resources
- Carried within an open and participatory governance system
- Manages multiple collective preferences

Sustainable Trade : 4 Arrows

- The Global Value Chain
 - (i) As Buyers
 - (ii) As Suppliers
 - (iii) As standards users
 - (iv) As CapacityBuilding providers
- Governments
 - (i) as Buyers
 - (ii) as partner of bilateral agreements
 - (iii) as support to capacity building (technical assistance)
 - (iv) as developers of infrastructure systems (testing, certification, accreditation) at national or regional levels
- The Fair Trade Movement
 - (i) as Buyers
 - (ii) as standards setters
 - (iii) as bottom up movement
- The WTO, as multilateral organisation
 - Doha Round :
 - (i) market access
 - (ii) market differentiation
 - (iii) capacity building

STIC-Europe

STIC European consultation has explored ways and means for developing sustainable trade in support to developing Countries. It has its aim to mobilise support and participation from Europe for STIC International objectives and programmes.

The European consultation started in November 2002 and was concluded in October 2003. It included the following :

- Launching of the European Hub by Commissioner Lamy
- Launching of the European Sustainable Trade Forum (ESTF) by Minister Ngubane
- Meeting between the Commission Directorates and a STIC delegation chaired by Minister Ngubane
- Workshop on agri-food and meetings with the business sector
- Workshop on electronics, session of the ESTF and meeting for the business sector
- Workshop on textile and meeting with the business sector
- Meeting with the packaging industry
- Workshop on micro-credits and guarantee fund in support to STIC
- Consultation with Buyers of the Baltic Region
- Consultation with the Buyers group of Comite 21 – France
- Consultations in Cancun
- Workshop post Cancun and presentation of the STIC's regional consultations and their expectations vis-à-vis Europe
- Meeting with the business sector
- Meeting with the fair trade movement

STIC Europe , Sub regional and National platforms

STIC-Europe has and will act as a platform for bringing together stakeholders from North and South to create a more cooperative context for achieving commercial, environmental and social progress simultaneously in developed and developing countries.

The European Hub will have a structure like the MSC's (Marine Stewardship Council) Stakeholder Council to make sure that everyone is included and has a genuine influence of all what happens and oversees its entire functioning. The Hub would be composed by two chambers, a Public Interest Chamber and a Buyers Projects Group Chamber.

1. Public and Socio Economic Interest Chamber and 8 categories

- EU and Member States addressing the WTO-Development Agenda and facilitating imports of sustainable products (DG Trade, CBI-NL,...)
- EU and Member States agencies supporting Business initiatives for specific Regions of the World (EuropeAid, CDE-ACP)
- Sustainable and/or Fair Trade Platforms at EU and National levels
- Organisations and NGOs dealing with CSR, environment, and social standards. (CSR-Europe, Euro-Commerce, WWF ..)
- Environmental Organisations (WWF, Ramsar Convention Bureau...)
- Certification and Labelling Organisations (FLO,...)
- Consumers Organisations

- Representatives of Developing Countries supporting STIC (South Africa, Benin...)

2. The Buyers and Commercial Interest Chamber and 8 categories

- EU and Governmental Procurement Agencies,
- European Regions Procurement Agencies,
- Cities active buyers in terms of sustainable and fair trade.
- Supply chain & processing interests
- European Retailers & distribution interests
- The Financial and Insurance sectors
- The Southern Producers part of “ Joint-Venture Net “ (Café Direct...)
- Fair Trade Companies

A Steering Committee would be composed of

1. EPE
2. One representative for each category (=15 members)

STIC - Europe Working Programme is adopted by the General Assembly every year and implemented by the Steering Committee.

The Working Programme has 3 main elements:

- The European Forum on Sustainable Trade
- The Buyers Projects Group
- Partnership with the other regions of the world.

Members of the two “chambers” are invited to actively participate, if so wished, in the 3 fields of action. Task Forces might be launched to deal with regional partnerships with Asia, Latin America, ACP, Africa, the Mediterranean area ...

STIC-European Hub reports every year to STIC-International on progresses and barriers .

STIC-Europe would establish Sub-regional and National level platform incorporating national public and private buyers, national government authorities, producers, exporters from developing countries. The first national platform has been established in France by the Committee 21, Max Havelaar, OREE, Eco-Maires with 40 French public and private companies and 200 cities.

From STIC-Europe to STIC- Europe-Med? The consultation for the South Mediterranean region should explore the option of developing STIC as a platform for Europe and the South Mediterranean Countries in parallel with the Euro-Med Free Trade Agreement.

STIC Europe, Escalator 51

STIC-Europe aim is to design actions to contribute to the Escalator 51 objective.

- To support sustainable trade escalating it up to 51% by dramatically increasing the share from Southern producers. It is estimated that, today the market share of Fair Trade is generally less than 1% of the specific markets.
- To develop new tools to accelerate the transition towards sustainable development (the escalator)
- To create a new paradigm “mainstream sustainable & fair trade” towards a Global Well-being Society.

The European Programme should have five prongs

STIC-Europe programme would address:

1. **Mobilise European purchasing and financial power**
2. **Mobilise the European driven global supply chains**
3. **Create a platform for political debate at European level**
4. **Partnerships with STIC's**
5. **Pool resources and support STIC International**

It should be tailored to respond to the expectations of the other regions of the world.

The main conclusions of the consultations which took place in the other regions of the world are described as follows. With the financial support of the Dutch Government, regional consultations are taking place. So far meetings have been taking place in West Africa, Central America, South Asia. Others are scheduled for South African Countries, the Caribbean, the Mediterranean, South America. STIC-Europe wishes to extend this first series of consultations to North America, Japan, ASEAN Countries, China (* the table are reflecting on the outcomes of 3 consultations, the final version should include findings of the next consultations)

AGRI-FOOD

Issue	Request from	European Action
Poultry	Africa, Asia	ESTF session
Sugar	Caribbean, ACP	ESTF session
Banana's	Caribbean, Mercosur	ESTF session Logistical support
Packaging	Africa	Technical assistance from the packaging industry
Quality standards	Africa, Asia,	Meeting with Commission directorates
Commodity chain and prices	Africa, Latin America, Asia	Meeting with Commission directorates
Marketing - cosmetics	Africa,	Buyers project group
Standards	India	India-EU bilateral agreement
Certification, Validation in the region	Africa, Asia, Latin America	

TEXTILE

Cotton	Africa	ESTF session
Appropriated technologies not available	Africa	Tripartite agreement EU-india-Africa (not possible so far)
Conflicting standards	Asia	Pilot textile
Credit Insurance	Africa	European Micro-credit facility
Training and Capacity building	Asia, Africa, Latin America	Pilot Textile

ELECTRONICS

Dialogue with legislative bodies	Asia	ESTF
Training and capacity building	Asia	Buyers project group

GENERAL REQUESTS

Training	ACP Asia	CDE EuropeAid
Marketing (i) in the region (ii) in Europe		
Develop domestic sustainable trade market		Capacity Building

Five prongs of the European Programme

1. Mobilise European Purchasing and Financial Power

STIC-Europe needs to work actively in the enlarged Europe union, and with other partners as the Fair Trade Movement, the Business Sector, the Commission and the Member states, to mainstream “sustainable purchasing”

- by public authorities at EU, governmental, regional and local levels
- as part of Companies purchasing policies in line with CSR, Global compact and GRI
- as an issue for the European financial sector
- as part of Civil Society “Well being society” agenda .

1.1. Assisting Companies and Public Authorities in Europe

This project is developed as a demonstration project to be proposed to the Life Programme. It aims to support innovation, capacity building and strengthening skills for sustainable production and green purchasing. The project focuses on “implementation phase” of CSR (company’s sustainable/environmental management schemes like EMAS, ISO14001) and public authorities action plan in terms of “purchasing” decisions. The project makes the link between compliance, security management, green productivity (eco-efficiency), sustainable and fair trade.

The “European scope” of the project, is resulting from

- The wish to demonstrate how a “macro-micro convergence” process is possible, making the link between EU macro objectives and micro decisions
- By involving public and private companies from different parts of Europe.

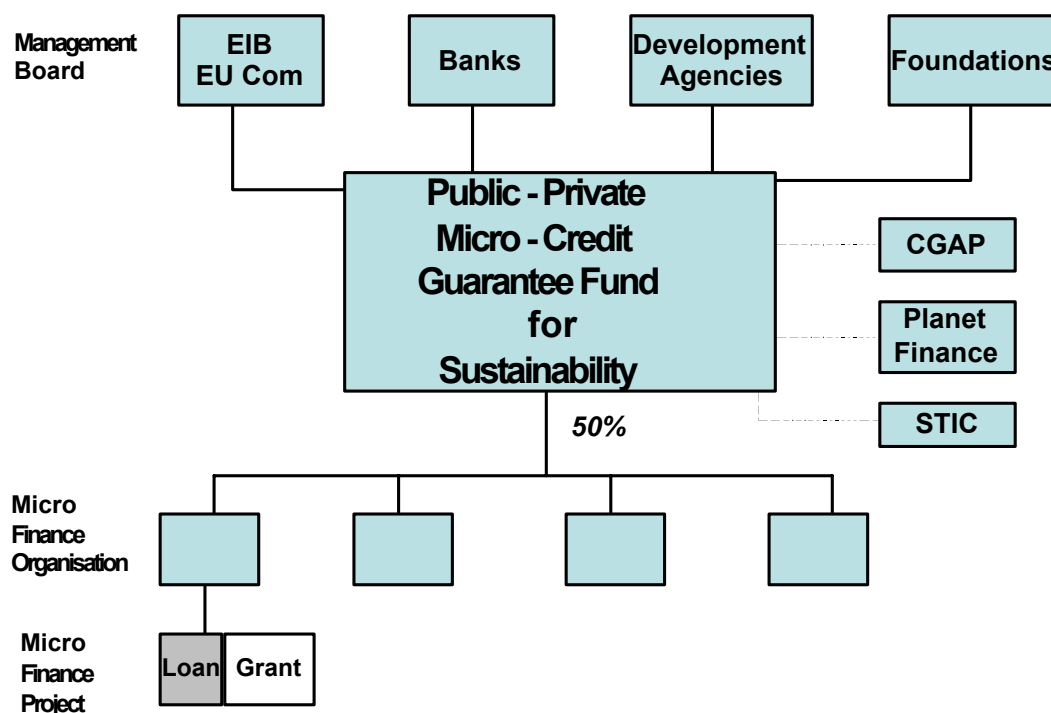
Macro objectives are as defined at EU level (Sustainability Strategy in the Göteborg) and at UN level (the Millennium Goals and the WSSD). The micro decisions are the purchasing decisions at national, regional, local levels by public authorities and companies including retailers.

In this proposal, for management of the whole supply chain (companies from producing countries and companies from buying countries) four product groups will be considered on experiment and demonstration basis e.g. textile, electronics, agri-food and energy (renewable energies and energy saving).

1.2. Mobilise Financial Support

According to different studies, out of the two billions of people living in a state of poverty, approximately 500 millions could significantly improve their life, if they had access to micro-finance services. Therefore, if there is a will to help the poors with entrepreneurial skills, the development of micro-credits is certainly a key issue. Many initiatives have been developed towards Micro-Finance, inspired, among others, by the experience of the Grameen Bank in Bangladesh. From training organisations to banks and foundations supporting the development of co-operatives, Europeans are heavily involved in the development of micro-finance although sometimes with an important lack of communication leading often to the distortion of the market. Two initiatives are proposed to complement and support the process towards sustainable trade and sustainable investment.

In most cases, investors with a social component in their projects have more funds available than funds actually invested in developing countries. The reason for this situation comes from the elevated risk of investing in South : political instability, low level of education of the local entrepreneurs, very informal economy etc... Therefore, the **first initiative** will consist on establishing a **Guarantee Fund** which will allow the investors to measure and reduce their risk.



Although the micro-finance sector is not new, it is still changing constantly and very quickly. Many actors of the sector do have excellent ideas but, often, they don't communicate them to one another nor do they take into account the situation on the field. In order to build the sector in a coherent way, there is a need for a **Microfinance Platform**. This will be the aim of the **second initiative**.

2. Mobilise the European driven global Supply chains

After the failure of the WTO Ministerial Conference an initiative like STIC will be even more important as a trust builder because of STIC focuses on the Global Value Chain Management, a field of rapid changes, representing 2/3 of the global trade.

Special concerns have been expressed regarding

- global commodity chains management (the producer is the guardian of the environment, but in the commodity chain he is the one who receives less and less, irrespective of the price evolution)
- the future of SME's captive of global supply chains. (To be part of a value chain might be a + or a - depending on the standards of the leading multinational).
- power balance especially in Agrifood chains

STIC-Europe would address two issues:

2.1. The Global Value chain and the new industrial revolution

- Capacity Building and Private Standards (co-ordination between Buyers and Vendors)
Technical co-operation : Partnership programme, Clearing House
- Market Access : A list ?
- Market Differentiation : to segment the market to increase the power of the producer and help the « Champions »

2.2 Sustainable Purchasing and CSR in practice through changing the patterns of purchasing processes and procurement policies, certification and validation requirements. The Southern producers need to be involved in the chain.

3. A Platform for Political Debate at European level

Sustainable Trade is most probably shaping the Post-Doha Round Agenda. Two fields should be explored.

WTO Management by Objectives in support to the Millennium Goals

- (i) management by objectives (access to water, food,...)
- (ii) Global Value Chain management and control

Sustainable Liberalization : Integrated approach towards sustainable development with flanking policies

- (i) capacity building
- (ii) Global sustainable trade fund

3.1. European Sustainable Trade Forum

The purpose of the Forum is to facilitate a dialogue between policy makers in the European Commission and the Civil Society Dialogue Participants with Southern business representatives, especially focussing on the concerns and obstacles faced by Southern businesses in implementing the regulations.

The European Forum on Sustainable Trade is developed as a partnership between the DG Trade-civil Society dialogue and STIC.

Next meetings will be on:

- Textile
- Agri-food (sugar, poultry, banana's)
- The Biodiversity Convention with participation of Bolsa-Amazonia, Indonesia, South Africa.

3.2. Meeting with Commission Directorates

The purpose of such meetings is to facilitate a dialogue between policy makers in the European Commission and STIC on co-ordination issues and European internal matters. A first meeting took place with the participation of Minister Ngubane. Two new meetings are proposed related to

- (i) the sustainable procurement agenda, as a leverage for a new trade, co-operation, industrial, consumers protection, social and environmental policy.
- (ii) Food safety and the drafting of European standards.

3.3. Meetings with the European Member States and European Parliament

The purpose of such meetings will be to facilitate a dialogue between policy makers in the European Countries and STIC on procurement issues

4. Partnership Agreements with the Sustainable Trade and Innovation Centre's (STIC's)

STIC-Europe role to play is

- Respond to the expectations of the other regional consultations
- Monitor "bilateral" agreements related to sustainable trade between the EU and the ACP or other trade zones (as Mercosur) or between the EU and specific countries, in particular regarding poverty reduction strategies
- Facilitate applications to EU funding mechanisms supporting partnerships between Europe and other regions of the world

4.1. Memorandum of Understanding with other STIC's

STIC-Europe will sign partnership agreements with other STIC's and develop a program of action for to secure funds to support capacity building programs for Asia, Latin-America, ACP Countries, South Mediterranean countries to ensure that market-driven requirements can be met by southern organisations.

Support of the European Commission.

So far, new joint applications have been submitted to the EU as follows :

- STIC European and Asian hubs Partnership :Linking European and Asian Intermediary Businesses for the promotion of sustainable trade and innovation. Project leader FICCI-India
- Green productivity, sustainable development and trade for Asian textile and apparel industries : capacity building, awareness creation and partnership program. Project leader EPE
- Partnership with Latin America

Regarding the ACP Countries, EPE is encouraging its "correspondents" in related countries to work actively with CDE.

4.2 The Buyers Project Group

The Buyers Projects Group has 6 priority fields of action

1. Buy sustainable products

2. Designing N/S Joint Venture

3. Public and Private Financing and Insurance Mechanisms

4. Capacity building

5. Marketing Sustainable trade

6. Support sustainable & fair trade weeks and similar promotions.

Initiatives are related to 3 sectors (agri-food, electronics and textile). They are developed by one of our partners, bilaterally between some partners or by the group itself.

5. Pooling efforts with and working for STIC-International

5.1 Market Intelligence

The market intelligence should address 3 findings of the regional consultations :

- (i) We indeed observed the importance attached by Global Corporations and SME's to the new governmental environmental requirements and how some Developing Countries, as Thailand, is preparing their Companies to be equipped in such framework and gain new markets.
- (ii) But, the new requirements of the private sector –multinationals, manufacturing and retailers companies – under the pressure of a number of stakeholders is a field of faster changes than the regulatory one, shaping a new agenda going beyond Governmental requirements and becoming for SME's of both Developed and Developing Countries a source of threats as well as opportunities.

- (iii) Finally the “market potential” in terms of Environmentally Friendly Products and Fair Trade Products is to be understood by number of SME’s. A Major market intelligence and marketing programme is needed in Developing Countries.

5.2 Standards harmonization

Here also, to change the patterns of purchasing processes, certification and validation requirements is a key. Major buyers are using competing private standards. We are expecting major buyers (for instance in the food sector limited to 5 or 6) in the electronics, food and textile sectors to come together with STIC to address these issues.

5.3 Science and technology Centres of Excellence and R & D

As underlined by Minister Ngubne, “considerations such as critical mass in, and the competitiveness and affordability of technologies, suggest that we should for example look at the creation of regionally-shared systems of centres of excellence in science and technology. These centres should be established in developing countries, with the support of developed partners, and, critically important, be focused on science and technology priorities, relevant to the needs of the developing world.”

5.4 Marketing

STIC needs to support marketing initiatives in Europe as well as at the global level.

(i) A special awareness initiative will be conducted regarding the Olympic Games. A Business and Fair Trade working group, chaired by a representative of (coca-cola) will explore how to make progress in view of Athens, Torino and Beijing

(ii) other initiatives will be explore with the Business project group.

5.5 Champions and Leaders

STIC is an alliance between Governments, Business and Civil Society. It can produce change. as the case of the medicines and drugs demonstrates. To accelerate the transition towards sustainable development, we need “*leaders*”, catalysts of change from the Governmental, Business and Civil Society sides. We need also “*champions*” demonstrating that partnership towards sustainable trade are already working between developed and developing countries, multinationals and their suppliers, the fair trade movement and southern producers, companies and the financial sector.

This is why we wish to bring these “*leaders and champions*” together for the first time in February 2004 in Brussels with the participation of high level delegates of Developing Countries, of the European Union and CEO’s. We would replicate this exercise later on other continents..

It would review initiatives taken to

- bridge the gap between small scale needs and large scale investment requirements;
- secure access to equity and micro-credits
- develop North-South and South-South Joint Ventures in support to sustainable trade
- facilitate Business to Business partnerships.

The Conference should prepare contributions in view to :

- 2004 review of the EU Sustainable Development Strategy before the EU Spring Council ;
- 2005, EIB Conference on Public-Private Partnership ;
- 2005, UN “Micro-Credit Year”.

The European Bank President would present, at the February meeting ,a proposal for a “Guarantee Fund” for the ACP Countries in the framework of the Cotonou agreement and banks , under the leadership of the Rabobank, are preparing the presentation on “European Micro-Credit Facility for a Global Well-Being Society”

5.6 Reporting

5.6.1 The Sustainable Trade Yearbook

STIC-Europe should in particular concentrate its efforts to find evidences helping to shape the Sustainable Trade yearbook, concentrating its efforts on Benchmarking and Performance Review related to :

1. Sustainable Trade and Poverty Alleviation.
 - Public Sector : Countries Poverty Reduction Strategies
 - Private Sector : Global Value Chains and Poverty (review for Companies from China, Korea, Europe, US, Japan)
2. Sustainable Trade and Capacity Building
 - Public Sector : Technical Assistance
 - Global Value Chains and Companies Technical Assistance
3. Sustainable Trade and Purchasing Policies
 - Voluntary Standards and sustainable trade
 - Purchasing decisions from public and private sectors
4. Sustainable Trade, Science & Technology, Joint Ventures.
 - Science and Technology Centres of Excellence
 - N/S Joint Ventures.

5.6.2 Companies and Public Authorities reporting

Explanatory Discussions will take place with G.R.I. on how best to secure reporting on progress

Coalition of the Willing					
Sustainable Trade, Investments and Purchasing					
SUPPORTING MEMBER STATES	Sector	Textile	Electronics	Agri-food	Energy
Belgium France The Netherlands É	Public Transport				
	Hospitals				
	Postal Services				
	Defence				
	Police				
	Schools				
	Universities				

