



# Fair Trade



*Fairtrade coffee grower in Tanzania.*

## what is it?

The Fair Trade movement is about getting a better deal for farmers and workers in the developing world, who produce basic commodities we take for granted, like tea, coffee, sugar etc. (and even gold). International trade has traditionally penalised the poorest producers, so Fair Trade aims to help break the cycle of exploitation by implementing fairer terms of trade and obliging companies to pay producers at or above the market rate. NB: we have used Fair Trade when talking about the concept, and Fairtrade to describe organisations, certification schemes etc.

**History:** the first 'Fairtrade' label appeared in the late 1980s in the Netherlands. More labelling initiatives appeared across Europe and North America, culminating in the establishment of the Fairtrade Labelling Organization (now Fairtrade International) in 1997 to harmonise standards. Fairtrade International is a non-profit composed of the UK's Fairtrade Foundation and similar partner organisations around the world. The Foundation itself was established in the early 1990s by NGOs like Oxfam and the Women's Institute to promote Fair Trade in the UK. The producers that Fairtrade was set up to benefit have themselves taken on a greater role in the activities of the board and governance since 2002, and today have an equal say in running the global movement and 50% ownership of Fairtrade International.

The Fairtrade Certification Mark first appeared in 2002. Since then, countries from South Africa to the Philippines and many others have come on board. The basic labelling scheme remained largely unchanged till 2014, when the Fairtrade Sourcing Program was introduced for cocoa, sugar and cotton. This allowed participating companies to source one or more specific commodities for use in a range of products, rather than all the ingredients in a specific product

having to qualify as Fairtrade in order to be awarded the mark.

**How it works:** Fairtrade International runs the certification scheme and writes the Fairtrade Standards which must be adhered to by producers to qualify for Fairtrade Certification. The Standards have a number of developmental pillars and vary depending on the commodity and group in question. Standards are written in collaboration with producers with the aim of helping them work their way out of poverty. Producers are regularly independently audited to ensure they are sticking to the rules.

There are now over 4,500 Fairtrade products available. Fairtrade International also certifies non-food commodities like gold, silver and platinum, cotton, cut flowers etc. As long as a standard exists, and they can be connected to the market, any producer is eligible to get involved.

In the UK, the Fairtrade Foundation licences use of the Fairtrade Mark and works with companies and retailers to make sure they carry it. It also campaigns to raise awareness and create demand for Fairtrade products.

**Criticism:** there is criticism of the Fairtrade movement, based on how much money reaches farmers, corruption, or the fact that farmers not in the scheme are disadvantaged. Much of this criticism is valid, and can be addressed, so that the system is improved and problems ironed out. However, because the Fairtrade movement exists to benefit small farmers, and costs corporations more for raw materials, a lot of criticism is political - initiated and funded by the corporate sector. We have to be vigilant when distinguishing between these two types of criticism – the former is valid, but the latter is down to Fair Trade threatening corporate profits, by distributing it to small farmers worldwide. This kind of criticism should encourage the Fair Trade movement, because it shows that it's being successful. See [lowimpact.org/fair-trade-criticism](http://lowimpact.org/fair-trade-criticism) for more on this.



*Fairtrade certified bananas from the Windward Islands.*



## what are the benefits?

**Producers:** getting a better price for their work means improved quality of life and working conditions for producers, and more control over their lives. Also, the Fairtrade Social Premium helps them develop projects and initiatives in their community. Sometimes, small farmers struggle to produce enough, so Fairtrade works with them to help improve productivity. Producers also benefit from training initiatives. Human / labour rights are written into the standards. Child labour is prohibited and if it's detected a producer will be suspended from the scheme and investigated. However, Fairtrade works to educate and improve, so programs exist to remedy situations like this and train producers in better practice.

**Environment:** Fairtrade Standards stipulate environmentally-sound agricultural practices - responsible, sustainable use of natural resources like water, maintenance of soil fertility, minimal use of agrochemicals, good waste management, no genetically-modified organisms (GMO) etc. Fairtrade doesn't automatically mean organic, but the two often go hand in hand, and organic production is encouraged and rewarded by higher Fairtrade minimum prices.

**Consumers:** when you buy a product with the Fairtrade Mark, you know you're not exploiting anyone - the person at the other end of the production chain has been paid a fair price. You know your choices as a consumer are contributing to their getting out of poverty.



Fair trade coffee shops can be found in many towns and cities.

## what can I do?

Look for products carrying the Fairtrade Mark in shops, cafés and restaurants, catering suppliers and wholesalers. Check the Fairtrade Foundation website to find out where to buy, including from shops that are part of BAFTS (British Association of Fair Trade Shops) as they often have products that aren't available in mainstream stores. If you can't find the product you're looking for, ask store managers to stock it; part of the success of Fairtrade is down to consumer-led demand.

If possible, buy from BAFTS and independent suppliers, who are more likely to be on board with Fair Trade principles, and make sure that as much of the premium as possible goes to the producers. Supermarkets are likely to take as much of the premium for themselves as they can. They don't do it for love – they do it for profit. They already squeeze small farmers in the UK, so why wouldn't they squeeze small farmers overseas?

Contrary to what you might think, buying Fairtrade isn't necessarily more expensive; there are very affordable Fairtrade own-brand products or lines – from bananas to gold wedding rings – available on the High Street.

Check out Fairtrade Fortnight, which aims to raise awareness and get people to think about where the stuff they buy comes from and how their choices can positively impact on people on the other side of the world. There are ways to get more involved with the Fairtrade movement. The Fairtrade Foundation runs campaigns with local community groups; Fairtrade towns, faith groups, schools and universities exist across the UK, all of which have either made a commitment to stocking Fairtrade products, or to ongoing campaigning, teaching and raising awareness. Look for a group near you on their website, and if there isn't one, then maybe you can be the first to start one?

## resources

- see [lowimpact.org/fair-trade](http://lowimpact.org/fair-trade) for more info, advice, links & books, including:
- Jilly Hunt, *Fair Trade*
- John Bowes, *the Fair Trade Revolution*
- Sally Blundell, *the No-nonsense Guide to Fair Trade*
- [bafts.org.uk](http://bafts.org.uk): British Assoc. of Fair Trade Shops
- [fairtrade.org.uk](http://fairtrade.org.uk): Fairtrade Foundation
- [fairtrade.net](http://fairtrade.net): Fairtrade International

Feel free to upload, print and distribute this sheet as you see fit. 220+ topics on our website, each with introduction, books, courses, products, services, magazines, links, advice, articles, videos and tutorials. Let's build a sustainable, non-corporate system.

[facebook.com/lowimpactorg](https://facebook.com/lowimpactorg)

[Lowimpact.org](http://Lowimpact.org)

[twitter.com/lowimpactorg](https://twitter.com/lowimpactorg)

Registered in England. Company Ltd. by Guarantee no: 420502