



FAIRTRADE

# Farmers, workers & fairer pay

**Fairtrade Foundation**

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# About Fairtrade

**+2 Million** farmers and workers

**1,930** producer organisations

**81%** smallholder farmers

**70+** countries

**37,000+ products** sold globally, including confectionary, food, beverages, fruits, flowers, oils and more.



# 92%

of people in the UK have seen the Fairtrade Mark, the **most well-known** sustainability mark globally

# 88%

**trust** the Fairtrade Mark



Fairtrade is a **household name**, partners with most major **UK retailers, food brands** & a rising number of **fashion, beauty and wellness brands**

# Challenges producers face today



## Social

Low incomes increases risk of social issues

Child labour and forced labour

Malnutrition, and difficulties accessing healthcare

Next generation of farmers migrating to cities

Gender based discrimination with pay, education, accessing loans, accessing agricultural inputs, and land ownership.

## Economic and business

Access to markets, bargaining power

A need for trainings on sustainable agricultural practices.

Environmental issues lead to higher input costs

## Environment and climate

Heat, droughts, floods & crop diseases lead to crop failures and decreased harvests.

Changing climate affects viability of land

Poverty is a key driver of deforestation

Waste management, reliance on fertilizers and biodiversity challenges



# Fairtrade offers a holistic approach

## Sustainable production

Robust standards incorporate environmental, social and economic factors

Producers commit Fairtrade voluntary standards, underpinning sustainable production

Combined with regular on the ground audits and allowing for monitoring and evaluation

## Producer support

Training ranges from farming practices to business skills, delivered by Fairtrade's producer networks on the ground

Leading to stronger business partners with reduced risk, higher quality and better yields, increased profitability and climate resilience

## Producer voice

Producer representation in decision making at every level

From cooperative level with democratic and transparent process for premium spend, to shaping strategy at board level

Farmers understand their realities best, and need a voice in the solutions

**Underpinned by the Fairtrade minimum price and premium.**

**Through fair prices can producers can adapt, invest in sustainable agricultural practices, and invest in their communities**



# Emelia's story managing cost of living



FAIRTRADE

the  
future  
is fair



**Fairtrade shea**

# Unique benefits of shea

Shea is a unique ingredient **grown wild** across Africa, with global exports **forecast to rise**, it is used in both **cosmetics** and **food** products.



## Gender

Known as 'women's gold', shea butter is culturally associated with women and provides employment for 16 million rural women in 21 African countries. It can play an important role in women's poverty alleviation.



## Environment

Shea trees grow wild across Africa's shea belt and can live for 200-300 years. The trees sequester carbon and can contribute to forest restoration and biodiversity conservation.

# key challenges & risks in shea

## **Lack of access to fair markets and fair prices**

Small-scale shea producers are at the mercy of local middlemen who can offer extremely low prices. Exploitative pricing leaves them struggling to earn a decent income, perpetuating a cycle of poverty.

## **Lack of infrastructure and resources**

Many shea producers face challenges in accessing credit, proper storage facilities, and transportation networks. This limits their ability to invest in their businesses, improve productivity, and reach profitable markets.

## **Gender inequalities & lack of influence and power**

Shea plays an important role in economic empowerment for women but often they encounter limited decision-making power, unequal access to land and resources, and discrimination in the value chain.

## **Health & safety**

Women face a range of hazards when harvesting and processing shea butter, such as risk of animal bites when collecting nuts, and risk of illness such as asthma from production methods.





# How Fairtrade works with shea producers

## Price & premium



Fairtrade shea producers receive fairer prices and numerous benefits including the minimum price, which acts as a safety net when market prices drop, and exploitative practices are at play.

## Women's empowerment

Fairtrade supports women's cooperatives and provides training on leadership, financial literacy, and entrepreneurship. By promoting gender quality in decision-making, Fairtrade aims to support women's wellbeing.

## Relationship building



Fairtrade promotes long-term and direct relationships between shea smallholders and buyers, promoting stable markets and fairer trading conditions. By linking producers directly with global buyers, shea producers can negotiate better prices and establish sustainable business partnerships.

## Overall establishing fair practices & support

Fairtrade addresses key issues such as unfair pricing, lack of resources, and gender inequalities, helping to create more sustainable livelihoods for shea producers, enabling them to improve their income, invest in their businesses, and have a brighter future.

## Training & standards



The Fairtrade Standards support producers to protect their land, health and future livelihoods. Fairtrade programs support them to meet the Standards which includes training in health and safety, improved practices, quality control, and business management. This supports enhanced safety, productivity, quality, and access to higher value markets.

# How Fairtrade works with shea producers

An innovative funding model fusing **trade with donor funding** to create a **sustainable** flow of impact from **donor** to **cooperative** to **community**



## Fairtrade certification

Donor funding from the Waterloo Foundation has supported six cooperatives to become Fairtrade certified, this process has involved pre-financing, audits, trainings, and construction of facilities, to meet the Fairtrade Standards.

2021-22



## Shea butter sales

Through sales of shea butter at the Fairtrade Minimum Price with the Fairtrade Premium, the women's cooperatives can grow their profits, improve production facilities, and scale-up supply. They can also choose to invest in community projects.

2023



## Education & community impact

Women leaders at all six cooperatives believe in the importance of children's' education. They are CAMFED members and have already supported at least 900 children, e.g. with provision of school sandals, school fees, study materials, exercise books, and mentoring. Through sales of shea, this number can grow.

2023 +



# Fairtrade shea

“ *Our focus is to empower women who are into shea butter, and with the profit that they get, they use it to support their families and their kids in school. Indeed, people were not believing in the idea of a woman setting up a business. I now encourage the youth, especially women, to take the challenge of starting their own businesses*

**Ayisha Fuseini, CAMFED Association member and CEO of Asheba Enterprise** ”



**Photo credit:** [CAMFED](#) – CAMFED supports girls in sub-Saharan Africa through school and into leadership, including as social entrepreneurs.



# What's behind the Fairtrade Mark?

# Fairtrade Standards

## People



### Decent working conditions

- Respect for human rights
- Equality and economic empowerment
- Ban on discrimination, forced labour and child labour

## Planet



### Strong environmental standards

- Protect ecosystems & biodiversity
- Prevent deforestation
- Reduce non-renewable energy
- Minimise chemical use
- Promotion of organic farming

## Prosperity



### Sustainable livelihoods

- Fairtrade Min Price & Fairtrade Premium
- Closing the living income / wage gap
- Enhance trading relationships

**Standards and Premium projects also support UN Sustainable Development Goals**





# Consumer insights



**92%**

**Awareness of the Fairtrade Mark<sup>1</sup>**



**88%**

**Trust in Fairtrade<sup>2</sup>**



**67%**

**Claim to have purchased Fairtrade products<sup>3</sup>**

<sup>1</sup> GlobeScan, 2023

<sup>2</sup> [Among all who recall seeing the Fairtrade Mark] GlobseScan, 2023

<sup>3</sup>[In the last six months] GlobesScan, 2023

# Consumer insights

**81%**

care about independent third party certification. (Kantar Profiles, 2023)

**77%**

said the Fairtrade label makes it easy to decide if a product is ethically and responsibly produced. (GlobeScan, 2023)

**67%**

agree with the statement: *"I am willing to pay slightly more for a product to ensure producers are paid a fair price"* (GlobeScan, 2023)



Shoppers strongly associated Fairtrade with social justice issues such as decent working conditions, protecting farmers' and workers' rights, and tackling poverty. In addition, there is a growing association of Fairtrade with supporting farmers with reducing the impact of farming on the environment and diversifying incomes to be more resilient to climate change (Kantar Profiles, 2023).

# Traceability & transparency for resilient supply chains



Producer consultation

Independent audits

Traceability to point-of-sale

Reporting

Fairtrade certification incorporates multiple sources of data as part of the traceability solution, including Premium use data, audit data, annual producer surveys, and the 'virtual handshake'

**81% of consumers care about third party verification**



# Traceability & transparency for resilient supply chains



Producer consultation

Independent audits

Fairtrade certification incorporates multiple standards, including Premium use data, audit data, annual

77% of consumers care about



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## 2. Trade

**Intent:** The intent of this section is to provide maximum benefits to producers, while being credible to consumers.

### 2.1 Traceability

**Intent:** To ensure that for each sale of Fairtrade product, an equivalent volume has been bought from Fairtrade producers under Fairtrade conditions, and that Fairtrade products sold as physically traceable can be traced back to Fairtrade producers.

In certain cases where enforcing physical traceability would currently compromise the aim to maximize benefits to producers, traders do not have to apply physical traceability. They however have to comply with mass balance requirements, to ensure that the volume they buy as Fairtrade corresponds to the volume they sell as Fairtrade. Traders with no physical traceability should aim to use Fairtrade inputs (sourced products) to process Fairtrade outputs.

The exemption from physical traceability requirements applies to cocoa, cane sugar, fruit juice and tea (*Camellia sinensis*). For these product categories, physical traceability is therefore advisable but not compulsory. Also, under the Fairtrade Sourced Ingredient (FSI) model for cotton and the Gold Sourcing Program, where the primary objective is to promote the sourcing of these Fairtrade commodities and the benefits for Fairtrade producers, physical traceability is not required, and mass balance is allowed. In the case of FSI model for cotton, mass balance is allowed for processing activities at and after spinning stage. The activities up to and including the ginning stage must be in conformity with the physical traceability requirements. For the FSI coffee model, physical traceability will be required and mass balance will not be allowed.

### Documentary traceability

**Intent:** To ensure that Fairtrade transactions are identifiable and can be traced along the supply chain.

#### 2.1.1 Identification of Fairtrade products

**Applies to:** All traders

**Core** You **clearly identify** all Fairtrade products as Fairtrade in all purchase and sales documentation (e.g. invoices, delivery notes and purchase orders).

You **ensure** that you and the certification body will be able to trace:

- the name and FLO-ID of the traders involved in a Fairtrade transaction;
- the applicable dates of the transaction;
- the quantities and physical form of the product when transacted (purchase and sale); and
- the payment of the Fairtrade price and Fairtrade Premium and pre-financing (where applicable).

**Guidance:** The documentation related to the Fairtrade product must allow the certification body to trace back the product to its Fairtrade supplier.



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# Labelling and claims

# Fairtrade Certification Labels



## All that can be (ATCB)

All ingredients in the product that can be sourced as Fairtrade are certified. Fairtrade certified ingredients listed on back of pack.



## Fairtrade Sourced Ingredient (FSI)

Fairtrade certification for a single ingredient. If your product contains, for example, cocoa and sugar but your brand has an FSI commitment on cocoa only, this would clearly labelled as such.

# Communicating impact with Fairtrade



Donate Food  
Top-Rated Wine Sale  
Top Offers  
Easter  
Fairtrade Fortnight  
Spring Clean  
The Big Beauty Sale

**FAIRTRADE FORTNIGHT**  
24 FEBRUARY – 8 MARCH

ONLY £3.49  
SAVE 25%

SAVE 25%

SAVE 20%

SAVE 25%

Fly the Fairtrade flag ▶

**FAIRTRADE FORTNIGHT**  
CLIPPER  
CLIMATE CAST  
27<sup>TH</sup> FEBRUARY

Meet  
**Alice & Agyin**

1 PM, THURSDAY, 4<sup>TH</sup> MARCH  
Live from a cocoa farm in Ghana

FAIRNESS & EDUCATION  
HOSPITAL  
SCHOOL BUS  
ENVIRONMENT IMPACT  
AC-TEA-VISM  
RIGHTS & EMPOWERMENT  
TRANSPARENCY  
SCHOOL  
AID & HEALTHCARE  
INFLUENCING THE FUTURE

# How we talk about farmers, workers & fair pay

## Our language ...

- Describes the people we work with in a way that does not undermine their own agency or capability.
- Is actively anti-oppressive and supports equality, diversity and inclusion.



## Our language does not ...

- Dehumanise or portray people as “others” or “victims” and ourselves as “heroes” or “saviours”.
- Speak on behalf of other people. Instead, where possible, we make space for people to tell their own stories.



# How we talk about farmers, workers & fair pay

## For example, we do say ...

- Farmers and workers around the world
- We work with / alongside farmers
- The smart choice / play your part



## We don't say ...

- Poor farmers
- We help farmers / we give to farmers
- A helping hand / giving back



# Tools & References

- [Consult the Fairtrade Standards](#)
- [Find Fairtrade-Certified Organisations](#) – customer search tool via flocert.net
- [Pricing Table](#) – all Fairtrade ingredients, FT min prices and FT Premium
- [Risk Map](#) – salient issues across several commodities
- Get in touch: [commercial@fairtrade.org.uk](mailto:commercial@fairtrade.org.uk)



[People and planet in business:](#) guide for small businesses on due diligence



**The Fairtrade Risk Map:** salient issues across several commodities. It considers all human rights, includes root cause analysis, and is **one of the few to consult with rightsholders themselves.**



The map includes depth analysis of root causes



Status: **Producer**

## Root causes



**Unfair pricing and purchasing practices:** Retailers are estimated to capture a lion's share – some 30-40% - of the value from banana sales. Other downstream actors combined capture 40%, while producers capture 7-17% and workers 7-9%.

**Dominance of monoculture production:** Chemical intensive production methods drive biodiversity loss and water pollution, greenhouse gas emissions, and health risks.

**Climate change:** Banana cultivation will shift away from some of today's main producer countries.

[READ MORE: RISKS & ROOT CAUSES IN BANANAS](#) 

# In summary



## Holistic standards

For people, planet, and prosperity, cooperatives are supported to meet strong standards.



## Trust & recognition

The world's most recognised and trusted sustainability label.



## Sustainable sourcing

Promoting climate-resilient agriculture and nature-based solutions through, progressive standards, knowledge-sharing, trainings, and more.



## Producer partnership

A horizontal relationship, seeking value add for producers. Democratic decision making, unique storytelling.



## Towards a living income

Fairtrade has a holistic strategy to work towards a living income, involving minimum price and premium.



## Amplifying producer voice

From deciding how to spend their premium, to having their say on changes in standards, producers are involved and represented in decision making at every level.



FAIRTRADE

# Together we can

Build more people-focussed, sustainable and resilient supply chains



**“ Fairtrade is freedom;  
it’s dialogue; it’s  
sustainability; it’s  
empowerment. It’s  
everything for us in a  
world that is so  
competitive. ”**

Diomedes Rodriguez, member of Coobana banana co-operative, Panama





**Thank you!**  
**Questions?**



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