



The Evolving Relationship Between Fair Trade and Cadbury – Good News or Bad?

Cadbury and Fairtrade International, through the UK labeling organization Fairtrade Foundation, recently announced chocolate bars would no longer be certified fair trade. Instead, the bars will, in coming years, carry a Cocoa Life label and, in the UK at least, a description of a partnership between Fairtrade Foundation and Cocoa Life. The Fairtrade Foundation logo will be used on the back of pack. Though the Foundation emphasizes it is their logo not the Fairtrade certification seal, most observers will not be able to distinguish between the logo and the seal that indicates a product is certified to Fairtrade standards.

Cocoa Life is a corporate-led community development partnership, while fair trade is a farmer-led agriculture and supply chain standard focused on empowerment. The partnership has been celebrated by Fairtrade International as a potential way to reach more farmers and have a measurable impact. Yet others have criticized Cadbury for dropping Fairtrade certification and moving away from an empowerment model that was built by farmers. How should we see this move?

Cadbury is a multibillion dollar publicly traded profit -driven multinational company owned by Mondelez. Oxfam's Behind the Brands rates Mondelez between poor and fair on treatment of farmers and workers and in transparency, earning a 4 out of 10, in each category. The company comes in last on the water management scorecard. And even though they made £94.6 million in 2014 they paid zero UK corporate tax in 2015. This is not a fair trade company working to change power dynamics in an unjust economic system. This is a company that should never have been eligible to use a fair trade label or advertise its products as fair trade. So for this reason dropping the certification is very appropriate.

However, millions of farmers rely on and benefit from being able to sell products on fair trade terms. The closing of a major fair trade market could have a negative impact on these farmers. The Fairtrade Foundation claims to have entered into this new partnership with Cocoa Life precisely to make sure the impact of Cocoa Life on farmers is at least as beneficial as fair trade and to keep Cadbury and Cocoa Life accountable to this promise.

But how will this play out?

Impact on cocoa farmers and their communities and farmer empowerment are key stated goals of the program.

Yet empowerment cannot be top down and impact can be interpreted differently. Cocoa Life is not a farmer led program. Farmer participation in the program development and outcomes is not

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a given. Farmers need to be at the forefront of the impact evaluations, determining what their communities need, what metrics to be used to measure impact, and farmers need to have decision-making power to determine what the Cocoa Life label means and when its use is warranted. Otherwise Cocoa Life will be meaningless to farmers.

Taking Cadbury off the list of questionable companies allowed to call themselves fair trade is good news. The rhetoric of accountability, impact, and the possibility of shifting the burden of impact from the farmer faced with burdensome standards to meet consumer expectations to the company who holds the power are all positive. However, if farmers are not included at every level of the program, from negotiating prices to determining how community impact is defined to assessing what claims the Cocoa Life label should make, it is a missed opportunity. If farmers are excluded, Cocoa Life will become charity at best and another example of greenwashing at worst. Until farmers are included in these ways, Fairtrade International and all of its labeling entities, including Fairtrade Foundation, should refrain from endorsing it with any label or logo.

In short, Cadbury was never a fair trade company. However, replacing the fairtrade certification seal with a set of confusing and misleading labels, is not progress. Fair World Project calls on Mondelez to authentically include farmers in the Cocoa Life program and Fairtrade International and the Fairtrade Foundation to live up to their promise of working on empowering small-scale farmers using Fairtrade's farmer-led standards that consumers can clearly identify with their international label.