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Fair Trade Timeline

Contributed by the Fair Trade Resource Network (www.ftrn.org)

1946



Edna Ruth Byler imports needlecrafts from low-income women in Puerto Rico, and displaced people in Europe, laying the groundwork for Ten Thousand Villages, North America's first fair trade organization

1948



Church of the Brethren establishes SERRV, North America's second fair trade organization, to import wooden clocks from German refugees of WWII

1968

United Nations Conference on Aid and Development (UNCTAD) embraces "Trade not Aid" concept, bringing fair trade into development policy

1969

Oxfam and other European humanitarian organizations open the first World Shop in the Netherlands to sell crafts, build awareness and campaign for trade reform

1972



Ten Thousand Villages opens their store, the first fair trade retail outlet in North America

1986



Equal Exchange is established as the first fair trade cooperative in North America, importing coffee from Nicaragua as a way to make a political statement with a high-quality, household item

1988



Farmers and activists launch the first fair trade certification system, Max Havelaar, in the Netherlands to offer third-party recognition and a label for fair trade products

1989



International Fair Trade Association (IFAT), now WFTO, is established by trade pioneers as the first global fair trade network

1994



Fair Trade Federation

Letter from the Director



Welcome to the fourth issue of For A Better World. Fair trade is at a critical crossroads and this edition's cover reflects the challenges and opportunities in the fair trade movement and marketplace. Small farmers, large corporations, certifiers, cooperatives, Alternative Trading Organizations (ATOs), Non-Governmental Organizations (NGOs), student groups and other fair trade stakeholders are trying and vying to define and redefine fair trade. Can all these visions and experiences work together to uphold the promise of fair trade? Fair trade farmers, workers and artisans look to the fair trade market as a pathway out of poverty. But with multiplying fair trade claims, seals and certifications in the market, consumers are confused on

how best to "vote with their dollars" and buy products that reflect their values. Some claims and certifications are strong and meaningful, others are weak and getting weaker, eroding core fair trade criteria. This issue will help answer questions and guide informed decision-making when purchasing certified "fair trade" products.

Fair World Project's (FWP) outreach and advocacy efforts continue, promoting fair trade and watchdogging the fair trade marketplace. FWP is closely monitoring the evolution of fair trade standards, with special concern for plans to certify coffee plantations as "fair trade." FWP facilitated 2,000 letters sent to major certifiers in support of small coffee farmers and cooperatives, demanding that plantations not be considered "fair trade." Our outreach and consumer mobilization efforts have forced the major certifier Fair Trade USA to revise a weak draft multi-ingredient policy. FWP's Be Fair campaign (www.befair.us), launched in 2011, has mobilized to date over 1,500 letters calling upon major brands to "Be Fair" and source fair trade ingredients.

This spring, Fair World Project aims to put fair trade front and center in stores across the country with our World Fair Trade Day activities in May, coordinating more than 500 retailers to feature dedicated fair trade brands all month. Also, along with the Fair Trade Resource Network and Domestic Fair Trade Association, FWP is a primary organizer of a new North American fair trade initiative, the North American Fair Trade Stakeholder Council. The goal of the council is to clarify the criteria and direction for the fair trade movement in North America, and uphold the integrity and promise of fair trade for marginalized producers around the world.

To a day when all trade is fair,

Dana Geffner

Dana Geffner
Executive Director



Distribute Fair World Project's For A Better World

"For a Better World" is a free semi-annual publication that features articles from a variety of perspectives, including farmers, farm workers, consumers and committed fair trade brands. FWP helps consumers decipher fair trade certification schemes and is an excellent educational resource. Distribute "For a Better World" for free at your business or organization. Order now by visiting our website at: www.fairworldproject.org

Letter to the Editor

Tell Us What You Think. We would like to hear your thoughts.

Send letters to: Fair World Project - PO Box 42322, Portland, OR 97242

or email comments to editor@fairworldproject.org. Include your full name, address, daytime phone and email. The editorial team may shorten and edit correspondence for clarity.

Mission:

Fair World Project (FWP) promotes organic and fair trade practices and transparent third-party certification of producers, manufacturers and products, both here and abroad. Through consumer education and advocacy, FWP supports dedicated fair trade producers and brands and insists on integrity in use of the term "fair trade" in certification, labeling and marketing.

Why FWP Exists:

- ▶ Conscious consumers armed with informed purchasing power can create positive change and promote economic justice, sustainable development and meaningful exchange between global South and North
- ▶ The Organic movement, with the advent of federal regulations, has lost sight of the social criteria of fair prices, wages and working conditions.
- ▶ Family farmers and farmworkers in the developing world are often impoverished by unfair volatile prices, wages and working conditions.
- ▶ North American and European family farmers and farmworkers face similar challenges, and thus we need to bring fair trade criteria home with "Domestic Fair Trade."
- ▶ Existing certifiers and membership organizations vary in their criteria and philosophy for the qualification of products and brands for designation as "fair trade." FWP will work to keep the term "fair trade" from being abused and diluted.
- ▶ FWP cuts through politics in the world of fair trade in order to catalyze the rapid expansion of the universe of fair trade products, in particular promoting certification to rigorous standards that give consideration to the local context of a project.

The Fair Trade Movement:

The fair trade movement that FWP is part of shares a vision of a world in which justice and sustainable development are at the heart of trade structures and practices, both at home and abroad, so that everyone through their work can maintain a decent and dignified livelihood.

For more information on Fair World Project please visit www.fairworldproject.org

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Perils and Pitfalls in Fair Trade Cotton



A Dec. 15 article by Bloomberg News exposed what it portrayed as forced child labor in an organic and fair-trade cotton program in Burkina Faso, which provided raw material for the lingerie line Victoria's Secret. The US Department of Homeland Security is also investigating the matter. However, Fairtrade International (FLO) and the Burkina National Union of Cotton Workers have countered the allegations within the Bloomberg piece. While the jury may be out on the specifics in this case, fair trade has opened the eyes of many to the risks of child labor in various commodities, including cotton.

Equal Exchange's Campaign for Authentic Fair Trade



Equal Exchange, one of the founding fair trade organizations in the United States, has issued a call to action to ensure that small farmer co-operatives remain at the center of the fair trade movement. Equal Exchange believes that cooperative organization is essential for small farmers to survive and thrive, and the cooperative model is an important vehicle for economic empowerment and social change.

Fair Trade Shrimp on the Horizon



Fair trade continues to spread beyond coffee and tea. Soon, consumers may be able to find fair trade certified organic/ecologically raised shrimp from Thailand and other countries in Southeast Asia. Certified coops must adhere to IFOAM aquaculture standards and use bioremediation techniques to sustainably recycle waste into nutrients for local farms. Fisher coops have long looked for market access for their product, as the global marketplace is dominated by large-scale farmed fish operations. Fairtrade shrimping offers a clear ecological alternative for consumers looking for ethical shrimp. Fairtrade International is focusing exclusively on shrimp during this pilot phase. IMO Fair for Life has a generic standard that is applicable for all fish and shellfish.

"Free Trade" Agreements Move Forward

Despite widespread protest from farmers, environmentalists and workers, the Obama Administration pushed through Free Trade Agreements (FTAs) with Colombia, Panama and South Korea. The new FTAs expand upon the North American Free Trade Agreement (NAFTA) which has led to weakened environmental standards, increased poverty in rural communities and watered down labor laws. A cross border alliance of farmers, consumers and fair traders have increasingly called for a renegotiation of NAFTA to ensure that farmers' livelihoods are respected and maintained.

TEDx Tackles the Plight of Farmworkers



On Friday, October 14, at Mills College in Oakland, TEDxFruitvale: Harvesting Change brought together farmworkers, farmers, activists, artists, students,

professors, filmmakers, and entrepreneurs to celebrate the people upon whom we depend to harvest our food. In three sessions — Meet, Movement, and Money — a diverse cast of speakers provided a 360-degree view of farmworkers today and throughout history; compared labor's progress with other social justice movements; and ended by discussing how businesses could embrace fair labor practices.

"Fair Trade Says No to GMOs"



Genetically Modified Organisms (GMOs) are plants or animals where the DNA has been artificially altered by genes from other plants, animals, viruses, or bacteria, in order to produce foreign compounds. This type of genetic alteration is not found in nature. Today, the majority of corn and soy grown in the U.S. is genetically engineered to produce pesticide and/or withstand high doses of weed killer. This corn and soy is found in countless processed foods such as cereals, baby foods, breads, chips, and many other products.

GMOs are prohibited under FLO and IMO's fair trade standards. To push back the spread and negative impact, a number of organizations and companies, including the Domestic Fair Trade Association and the Organic Consumers Association, have banded together to demand labeling of GMO products, including a petition to the US FDA and a citizen ballot initiative in California.

Contributors in this Issue



Bob Chase

Bob Chase served as a Peace Corps volunteer in Northeast Brazil with his wife Susan after earning a B.A. in Latin American History from the University of Wisconsin- Madison. Bob has served as the CEO of SERRV since 1989. He has served on the Board of the US Fair Trade Federation and is presently a member of the Board of the World Fair Trade Organization.



Rudi Dalvai

Rudi Dalvai an Italian born economist started his Fair Trade tenure in 1985 as a founder member of the World Shop in Italy. He was managing director of EZA (Austrian FTO), and helped start EFTA (European Fair Trade association) and IFAT (now WFTO), co-founder of Ctm-Altromercato (first Italian FTO), helped start TransFair Italy, member of the "Coffee Register Committee" of FLO, and past and current President of IFAT (now WFTO).



Monika Firl

Monika Firl has worked as Cooperative Coffees Producer Relations Manager from Montreal since 2002. Prior to joining Cooperative Coffees, Monika lived in El Salvador and Chiapas (1991 – 2000) working with locally based development projects focused on information and experience exchange around organic production practices and alternative markets with Fair Trade at heart.



Phil Howard

Phil Howard, Ph.D., is an assistant professor at Michigan State University where he teaches and conducts research on community, food and agriculture.



Daniel Jaffee

Daniel Jaffee is assistant professor of Sociology at Washington State University, and author of *Brewing Justice: Fair Trade Coffee, Sustainability, and Survival* (University of California Press). His work focuses on the politics of corporate involvement in fair trade certification. He also co-founded the Madison (WI) Fair Trade Action Alliance.



Megy Karydes

Megy Karydes is founder of World Shoppe, a fair trade wholesale business that works with artisans in South Africa and Kenya to produce fashion-forward jewelry. She also is principal of Karydes Consulting, a marketing communications agency and often writes about fair trade for both consumer and trade publications.

Fair trade certifiers and membership organizations all agree on these basic fair trade principles:

- ✓ Long-term direct trading relationships
- ✓ Prompt payment of fair prices and wages
- ✓ No child, forced or otherwise exploited labor
- ✓ Workplace non-discrimination, gender equity and freedom of association
- ✓ Safe working conditions and reasonable work hours
- ✓ Investment in community development projects
- ✓ Environmental sustainability
- ✓ Traceability and transparency

▼ Fair Trade validation systems can be grouped into three major categories. The table shows their main attributes and several prominent examples.

Category	Key Attributes	Examples
3rd Party Inspection & Certification	3rd party certifiers field-inspect growing and processing, possibly trading operations and compare performance against a set of FT standards.	Fairtrade International (formally FLO); IMO's Fair for Life; FUNDEPPO's Small Producer Symbol; Agricultural Justice Project     *As of this issue's printing FTUSA standards have not been reviewed.
Membership Organizations	Organization evaluates FT commitment and practice of companies against its membership criteria. No systematic verification of conditions along the value chain.	Fair Trade Federation (FTF); World Fair Trade Organization (WFTO); Domestic Fair Trade Association; Cooperative Coffees    
Brand Programs	Major brands develop in-house FT programs and work with a 3rd party to inspect and certify the company's operations against the standards	Whole Foods (Whole Trade) 

*Effective December 31, 2011, Fair Trade USA resigned from the Fairtrade International (FLO) system and will be an independent organization. As of "For a Better World's" printing, Fair World Project (FWP) has not reviewed FTUSA's new standards and procedures. Upon further evaluation, FWP will determine if it will consider FTUSA a reputable certifier. FLO certified products will be in the marketplace as of 2012 and FWP recognizes FLO as a reputable certifier. For more information on the FTUSA and FLO split, please visit <http://fairworldproject.org/statement>

We acknowledge that other socially responsible systems are available. While they certify for many of the same standards, they do not rise to the level of fair trade.

This chart summarizes the logos of several certification programs and membership organizations. A product sold by a company that is a member of a fair trade membership organization may not have gone through third-party certification; conversely, a product certified as "fair trade" under a certification program does not mean that the company that produces the certified product is a dedicated fair trade company.



Sue Kastensen

Sue Kastensen is the founder and director of Fair Shake, a web-based prisoner reentry resource center. She is one of the founders of Fair World Project and now serves as an advisor. She created Sun Dog Hemp Body Care. Current board seats include: the Domestic Fair Trade Association, the Hemp Industries Association and the Viroqua Food Cooperative.



Jerónimo Pruijini

Jerónimo Pruijini is a Dutch Anthropologist. He lives in Mexico, got involved in Fair Trade in 1989 and has worked for Small Producers' Coops and their networks and initiatives in Mexico, Latin America and the Caribbean ever since 1991, currently as the CEO of the Small Producers' Symbol.



Jonathan Rosenthal

Jonathan Rosenthal consults to make global trade more just. He is a principal with Just Works Consulting and co-founded Equal Exchange and Oke USA. www.just-works.com



Kevin Ward

Kevin Ward was a Computer Lecturer at Kisumu National Polytechnic, Kenya as part of a VSO volunteer program from 1999 to 2002. While in Kenya Co- Founding Global Crafts. He is currently CEO of Global Crafts a fair trade organization based in Florida and member of the WFTO and FTF.



Ryan Zinn

Ryan Zinn is the Fair World Project Campaign Director. Ryan has worked in the food justice movement since 1996 at home and abroad. His work has taken him throughout Latin American while working for the Center for International Law, Friends of the Earth-Paraguay, Global Exchange and the Organic Consumers Association.

Additional Contributors: Cosmic Egg Studios



Cosmic Egg Studios is an eco-friendly design firm that services many of the like-minded companies in this industry.

Articles written are the viewpoints from the authors and not necessarily endorsed by Fair World Project. We encourage you to use your own judgement, ask questions, and visit our blog for more information.



A Fair World Project Initiative

Celebrate World Fair Trade Day with Dedicated Fair Trade Brands

World Fair Trade Day is May 12!

An initiative of the World Fair Trade Organization (www.wfto.com), World Fair Trade Day (WFTD) is an annual global celebration occurring each May. Celebrations bring consumers and businesses, nonprofit organizations, churches, student groups, and advocates together to host thousands of events worldwide.

Here in the U.S., the Fair Trade Resource Network (www.ftrn.org) will again coordinate U.S. specific events between May 3 - 17, 2012. In 2011, 50,000-70,000 people attended more than 300 local WFTD events including Fair Trade food tastings, talks, music concerts, fashion shows and much more, to help promote Fair Trade while campaigning for trade justice together with farmers and artisans.

This year, Fair World Project is participating in World Fair Trade Day by organizing a joint promotion with some of our favorite mission driven brands that are dedicated to fair trade throughout their entire supply chains. In other words, these brands have built fair trade supply chains for all of their main ingredients throughout all of their product lines; their mission is first about people and the planet. The dedicated fair trade brands sponsoring this coordinated campaign are Alaffia, Alter Eco, Dr. Bronner's Magic Soaps, Equal Exchange, Guayaki Yerba Mate, and Maggie's Organics.

Over 500 natural product retailers across the country have already signed up to participate in this unique initiative and many are hosting their own celebrations.

In-store events will include sampling and promotional discounts from dedicated fair trade brands; a screening of a new educational video about the principles of Fair Trade; and contest entry for a 17 day "Fair Trade Adventure to Sri Lanka." The contest will be the first of its kind organized nationally and will provide an all expenses paid trip in conjunction with Intrepid Travel for 2 to visit the 'Coconut Triangle' region of Sri Lanka where the world's first and largest organic and fair trade coconut oil project, Serendipol, is situated. Brands are also donating 1% of each purchase made at Whole Foods Markets to the Whole Planet Foundation (www.wholeplanetfoundation.org) which extends microcredit loans and grants to poor farmers and entrepreneurs around the world. Similarly, 1% of

purchases made at member co-ops of the National Cooperative Grocers Association will be given as part of their Cause Promotion program in May to Root Capital (www.rootcapital.org), a nonprofit social investment fund that is pioneering finance for grassroots businesses in rural areas of developing countries.

These dedicated fair trade brands have joined together to increase awareness and uphold the vision of true fair trade. "Fair trade is at a crossroads, on the one hand there is increasing consumer support for ethically produced fair trade goods, while on the other increasing corporate pressure to lower fair trade standards. Consumers should know which brands are truly dedicated to fair trade who support high bar standards in trading fairly with producers, versus companies with only a minority portion of fair trade sales more interested in marketing than maintaining the integrity of fair trade criteria in business practices" says David Bronner, President of Dr. Bronner's Magic Soaps.

We want to highlight the incredible work each of these dedicated fair trade brands is doing to build healthy and sustainable communities throughout the globe by using fair trade as a model that is at the core of their business practices.

Look for these brands at your local grocery store throughout the year and during this joint promotion:



Alaffia

Alaffia was founded in 2003 by Olowo-n'djo Tchala as a means to alleviate poverty and advance gender equality in his native country of Togo, West Africa. The Alaffia organization is a complete fair trade cycle. Members of the Alaffia Shea Butter Cooperative handcraft raw ingredients according to traditional methods in Sokodé, Togo. These

ingredients then make their way to Washington State, where they are incorporated into the formulations of Alaffia Sustainable Skin Care, EveryDay Shea, and Beautiful Curls products. The Alaffia mission embodies three clear principles:

- **Create:** We formulate and create our products based on indigenous beauty knowledge and unrefined, fair trade ingredients.
- **Inform:** Alaffia products inform the public about interconnections between communities and how, together, we can alleviate poverty through fair trade and sustainable choices.
- **Empower:** Our fair trade shea butter cooperative and community projects encourage self-sufficiency and promote gender equality in our West African communities.

In addition to providing a fair wage and benefits to Alaffia cooperative members, a minimum of 10% of Alaffia product sales are returned to Togo to fund empowerment projects in disadvantaged communities. This relationship is unique and makes Alaffia a true fair trade organization, building sustainable communities with affordable, clean and effective products.



Alter Eco

Alter Eco is a value-based brand of specialty food products that brings delicious, exotic, high-quality and healthy ingredients from around the world to people here in the United States, while directly benefitting the small-scale farmers that produce them. Alter Eco's offering includes colorful Quinoa Real grains from Bolivia, Heirloom Rice varieties from Thailand, Dark Chocolate bars and Unrefined Sugar from the Philippines. The path of Alter Eco and its products address many of the tough questions we face about the food we eat today: Where does it come from? Who grows these products, and are they treated fairly? How can we reduce environmental impact and ensure an ethical supply chain while delivering a higher quality, more nutritional product to our customers?

Alter Eco decided to address these issues holistically. As a company, we are committed to:

- selling food products that capture distinct attributes of various regions around the world
- supporting the small-scale farmers who grow our products by buying 100% of our products above and beyond Fair Trade standards, ensuring fair wages, good working conditions and hours, and opportunities for economic growth and development
- providing healthy, good-for-you organic foods that come from a healthy, good-for-you ecosystem
- promoting agriculture that restores ecosystems. 100% of our carbon emissions are offset through reforestation and forest conservation/restoration efforts in Peru and Thailand.



Dr. Bronner's Magic Soaps

"Constructive Capitalism is where you share the profit with the workers and the Earth from which you made it!" - Emanuel Bronner.

For more than 60 years Dr. Bronner's Magic Soaps has been a trusted manufacturer of soaps known for Old-World quality and simplicity. Living up to our reputation as a benchmark for green body care, we use certified organic and fair trade ingredients for at least 95% of our agricultural input by volume. With a long-standing cap on executive pay at 5 times the lowest paid position we've always offered generous benefits including no-deductible health care for employees as well as their families.

Since 2005 we have invested significantly and globally in fair trade supply projects ranging from Sri Lanka (coconut oil), to Palestine & Israel (olive oil), to Ghana (palm oil), to Mexico (jojoba oil). Operated by Dr. Bronner's sister companies or by partner firms, these projects serve as catalysts for rural development and now affect the lives of some 10,000 farmers, workers and family members and their communities. We hope to inspire other companies to take responsibility for their supply chains and to ensure that they are sustainable and fair for all involved. Dr. Bronner's proudly works with the Swiss certifier IMO to develop and/or certify our projects around the world. Videos and additional information about our Fair trade mission can be found at www.drbronner.com.



Equal Exchange

Twenty-five years ago, Equal Exchange was founded with a simple but powerful idea: what if food could be traded in a way that was honest and fair, and that empowered small farmers, consumers, and the workers themselves? Our ideas have taken hold and we have grown and evolved; but we have never strayed from these deeply-held values and principles. Today, our democratic, 100% Fair Trade co-operative employs over 100 worker-owners, trades with over 40 small farmer organizations in 20 countries, and supplies their fairly traded coffee, tea, chocolate, bananas, olive oil, and snacks to thousands of food co-operatives, faith congregations, schools, cafes, and restaurants throughout the United States.

We engage in direct, long-term relationships with our farmer partners, pay above market prices, facilitate pre-harvest credit, and access to productive and capacity-building projects. In the U.S., we work to inform, educate and engage the community in the issues facing small farmers, Fair Trade, and our food system in general. Through these means - strong relationships, consumer education, community engagement, and concrete actions - our goal is to strengthen small farmer supply chains, build a more just food system and a more cooperative economy. The time has never been more urgent and the opportunities more within our reach.



Guayaki Yerba Mate

The rainforest and the commercial world have had a rocky relationship; big business has long used its buying power to access land and other valuable forest resources unsustainably. But by fostering a demand for yerba mate, a drink made from leaves harvested in the South American rainforest, Guayaki has managed to harness the purchasing power of the consumer and take advantage of the system in a way that respects nature and protects people.

Guayaki has spent 15 years introducing North America to yerba mate, a drink with the strength

of coffee, health benefits of tea and euphoria of chocolate. Guayaki cultivates the beloved plant by partnering with indigenous farmers in Brazil, Argentina and Paraguay, who rely on the rainforest for their way of life and are the heart and soul of conservation efforts. Yerba mate is grown organically in the shade of the rainforest, while reforestation projects nurture new yerba mate trees to grow more. Each bottle, can, tea bag and loose-leaf bag of yerba mate sold supports Guayaki's mission to restore 200,000 acres of South American Atlantic rainforest and create over 1,000 living wage jobs for local communities by 2020.



Maggie's Organics

Maggie's Organics has been providing accessories and apparel using certified organic fibers since 1992. We came from the organic food business, where we had direct relationships with organic farmers. Once we learned about the disparaging conditions that workers endure at apparel factories, we knew we had to find a better way. Sustainability cannot start and end with the earth's resources, but must extend to cover human resources as well.

So we endeavored to find or to create factories where workers' rights and independence are valued. We vet each supplier at every step of a complicated supply chain. We helped develop three 100% worker-owned cooperatives - two in Nicaragua and one in North Carolina - that sew garments and gin cotton for many of our products. We prepay each of our farmers to cover seed and planting costs for every pound of their crop before they plant. We purchase all raw materials for each step of production, developing long-term relationships with contractors that provide fair wages and good working conditions.

We are fully transparent about each supplier we use; information on who makes each Maggie's product is available on our website.

We are fortunate to have a customer base that looks beyond our styles and our colors to find out about the lives behind the labels, and we know that this is how trade truly becomes fair.

For more information about World Fair Trade Day please visit www.ftrn.org



Fair Trade in the North?

Domestic Fair Trade enters the market

I love to eat fresh organic strawberries. In the summer I buy them from local family-farm producers here in rural Wisconsin, but in the winter I must source them from afar, which is when my decision to eat strawberries gets tough. I understand that the USDA organic seal on the transported strawberries verifies that they are grown under the environmental conditions that are important to me, but what about the labor conditions that are equally as important? Can I get organic and fair trade strawberries?

The US-based Domestic Fair Trade Association (DFTA) has been working on these questions since it formed as a working group in 2005. North American family farmers and farmworkers face challenges similar in important respects to their counterparts in the developing world: volatile prices leading to bankruptcy, and below poverty wages in unfair and unsafe working conditions. Many DFTA members are U.S. and Canadian farmers and manufacturers who incorporate traditional fair trade principles and criteria into their operations in North America, and would like to demonstrate to consumers that integrity in labor and sustainability are important to them, too.

Swanton Berry Farm, located in Santa Cruz California, is one of these producers. They would like shoppers to know that they not only grow their berries organically, but they also treat all employees with dignity and fairness. As Jim Cochran, founder and president of Swanton Berry Farm states: "What would be the point of farming organically if the workers were underpaid, over-worked, or treated without respect?" They were the first organic farm in the US to sign a contract with the United Farm Workers of America and carry the Union label which, Jim notes, recognizes "the professional relationship we have with our employees as co-partners in our joint effort to produce the best strawberries available anywhere."

Timothy Young, founder of Food For Thought which produces and sells organic and fair trade jams, salsas and sauces, sees domestic fair trade this way: "It is a simple and needed concept. If fairness works internationally, why not use that model domestically? After all, how could a consumer, that does not know me or Food For Thought personally, know the difference between a global/industrial jar of fruit preserves and a Food For Thought product? Transparent third party certification to a rigorous Domestic Fair Trade standard would allow those that qualify to step up to the plate and get credit for their efforts."

However when discussing domestic fair trade with others, questions arise such as:

- Isn't fair trade about helping small-scale farmers and marginalized craft producers in developing countries?
- Does domestic mean the product/ingredient does not leave the country it was grown in? Doesn't the definition for trade inherently mean 'between countries'?

- How could we distinguish fair trade products grown and processed in the traditional global south from the 'developed' global north?

Dr. Bronner's Magic Soaps is a manufacturing member of the DFTA that wants consumers to be aware that the company's famous soaps contain not only traditional fair trade and organically-sourced oils such as the coconut, olive, and palm oils, but also domestic fair trade and organically-sourced hemp oil, that they purchase from Farmer Direct Coop, a Canadian supplier who only deals in organic and fairly-traded ingredients. How should they differentiate the oils that come from traditional fair trade sources and non-traditional sources?

Nasser Abufarha, the founder of Canaan Fair Trade, the largest fair trade exporter of olive oil to the US and Europe, is concerned about recognizing the different struggles that US farmers and farm workers have relative to their counterparts in international fair trade. "Struggles that need to be recognized, but depending possibly not as fair trade." As Nasser says "family farms, going against the subsidized corporate giants, yes; but if a single estate olive oil producer in Spain or California does the right things socially and environmentally, this does not go in the same category as 'fair trade.'"

Wolfgang Kathe, head of the Social and FairTrade Department at Switzerland-based certifier IMO agrees. "We need to be careful that domestic fair trade in North America or the European Union does not support 'rich' farmers or production situations but contributes to improving the living conditions of those that are marginalized in the local context. The more fair trade that is available, the more the consumers may look for it in other products as well."

 The US is not alone in working on the idea of domestic fair trade. Last year Italy's Altr-Mercato, launched a domestic fair trade brand called Solidale Italiano (www.altromercato.it). They intend "to be an active and proactive actor in a social economy based on justice, sustainability and cooperation as well as on the principles of Fairtrade". Germany, France and the UK are working on domestic fair trade certification as well.

Biofach, the world's largest organic trade show, will again host a Fair Trade Forum this year, including a presentation entitled Domestic Fair Trade vs. Traditional International Fair Trade. The panelists will discuss the need for Domestic Fair Trade, the risks and opportunities for International Fair Trade and whether synergies can be developed between the two approaches.

Fortunately for consumers like me, fair labor certification for North American farm labor is now available. The North Carolina-based Agriculture Justice Project has developed a set of standards and has accredited certifiers such as Florida Organic Growers, Midwest Organic Services Association, and Oregon

Tilth to conduct inspections and audits. Other certifiers are preparing to enter in the US market in 2012.

Branding, marketing, and messaging about domestic fair trade products in the market were among the many topics discussed at the December 2011 annual meeting of the Domestic Fair Trade Association. The conference attracts representatives from producer/farmer groups, farm worker and food service organizations, retailers, manufacturers, certification agencies and others.

Prior to the meeting, David Bronner, president of Dr. Bronner's Magic Soaps, introduced a discussion to a broad group of fair trade enthusiasts. He asked: "How should we identify US domestic fair trade products in the market?" While many in the movement correctly note that saying "Domestic Fair Trade" on the label conveys what it means--applying international fair trade criteria to commodities produced at home in North America-- members of the group wondered how traditional fair trade farmers and producers in developing countries might feel about using the term this way. And what about commodities produced fairly in other developed countries such as in Europe or Japan? Also as an ingredient or product descriptor, "Domestic Fair Trade" is pretty wordy. Many in the conversation seemed to embrace "Fair Deal" as a preferred option for ingredient and product descriptors, while keeping the term "Domestic Fair Trade" to describe the overall movement. The term "Fair Deal" was originated by Farmer Direct, Dr. Bronner's Canadian hemp oil supplier, also a pioneer in domestic fair trade. The company is comfortable seeing the term used generally.

With fair trade experiencing monumental change in both international and domestic realms, a group of concerned fair trade participants have formed the North America Fair Trade Stakeholder Council. The group would like to clarify the direction for the Fair Trade movement in North America and seeks to advance these four goals:

- Define fair trade and the movement, what they are and what they are not
- Organize the North American fair trade movement under a coordinated infrastructure with a common vision
- Reach agreement on a plan for cooperation and accountability within the movement
- Develop a clear external message for the movement

The Council will occasionally invite public comment. Please check the Fair World Project website for more information: fairworldproject.org/stakeholdercouncil

While the global fair trade movement in general is reviewing, rejuvenating and readjusting through its growing pains, domestic fair trade is poised for take off. This is a great time to introduce consumers to domestically produced commodities that have been produced fairly and ethically.

Next winter, I hope consumers like me will be able to purchase organic and fairly produced strawberries - along with a plethora of other domestic fair trade, er, Fair Deal products.

Fair World Project would like to hear your opinion! Please join the discussion by sending in a letter to the editor or join us on the website: www.fairworldproject.org



Visualizing Fair Trade Coffee

The fair trade certification world has entered a period of major change. The recent departure of Fair Trade USA from the international certification system led by Fair Trade International (formerly FLO), and its decision to develop separate U.S. standards that permit certification of plantation-produced coffee, cocoa, and other crops, has thrown the meaning of the U.S. fair trade label into question. The recent appearance of a new certification—The Institute for Marketecology (IMO) “Fair For Life” label—has made the panorama even more complex. These developments follow a decade of struggles within the fair trade movement over the nature of its relationship to large (often transnational) corporate firms, some of which have contributed to the dramatic growth of fair trade sales.

These graphics represent an effort to capture the level of involvement by large corporate firms in the U.S. and global fair trade coffee markets. Because Fair Trade International and Fair Trade USA do not divulge data on the volumes of fair trade certified products purchased by individual companies—deeming the information a trade secret—basic figures on companies’ participation are challenging to find. This lack of transparency, critics charge, allows companies to engage in “fair-washing”—that is, to use low levels of engagement with fair trade to persuade consumers that they are socially responsible, and/or to distract attention from other socially or environmentally harmful practices. It also blurs the distinction between 100% fair trade companies (many of which have long histories of involvement with producer communities and organizations) and those firms participating in fair trade at merely token levels.

For the U.S. fair trade market, these figures may offer one of the last reliable “snapshots” of large companies’ coffee purchases from fair trade small farmer organizations.

Because Fair Trade USA’s new standards will allow roasters to certify coffee from plantations and estates beginning in 2012, it will no longer be possible to distinguish between sources. Companies purchasing little or no smallholder-grown coffee could even have up to 100% of their coffee bearing the fair trade label. Thus, comparisons between the U.S. market and the rest of the world may no longer be possible.

The data in these charts are drawn from a range of sources: firms’ annual reports and social-responsibility reports; NGO reports on the coffee industry; media coverage; interviews with roaster staff; and responses by companies to email queries for information. Note that there are many more firms purchasing fair-trade certified coffee in the U.S. than portrayed in these charts. We included information for all companies that responded to our information requests, or for which we could find publicly available data; many firms that did not respond to requests are not represented here. All figures represent purchases of green (unroasted) coffee. One important note: for these charts we include as “fair trade certified” coffee certified under either the FLO/Fair Trade International system (including Fair Trade USA as of 2010), or the new IMO “Fair For Life” system, to which many 100% fair trade firms have recently switched.

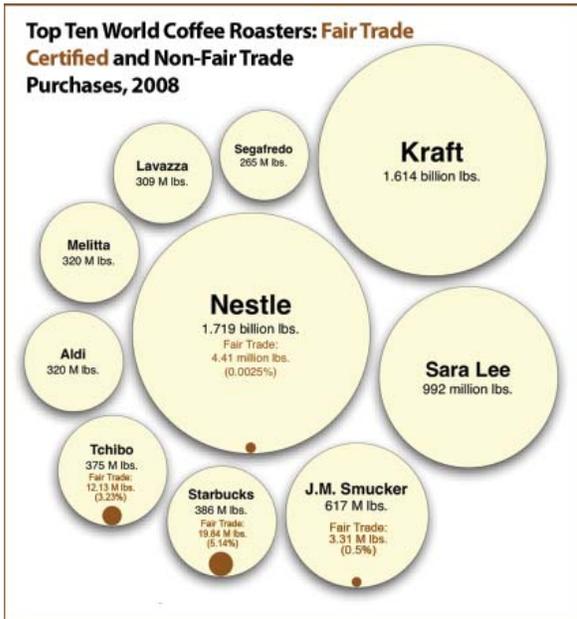


Figure 1 shows the world’s 10 largest coffee roasters and the levels of their fair-trade certified coffee purchases, as of 2008 (the last year for which these data are available). Only four of the top 10 firms purchased any fair-trade certified coffee at all: Nestlé, Tchibo, Starbucks, and J.M. Smucker (Smucker purchased fair trade Millstone coffee, part of the Folger’s line, from Procter & Gamble in 2008). Nestlé, which received fair trade certification in 2005 from the Fairtrade Foundation in the U.K. for its “Partner’s Blend” line (a controversial decision within the movement), had the lowest percentage of fair trade purchases, at only 0.0025 percent. Number-two Kraft and number-three Sara Lee sold no fair trade-certified coffee as of 2008.

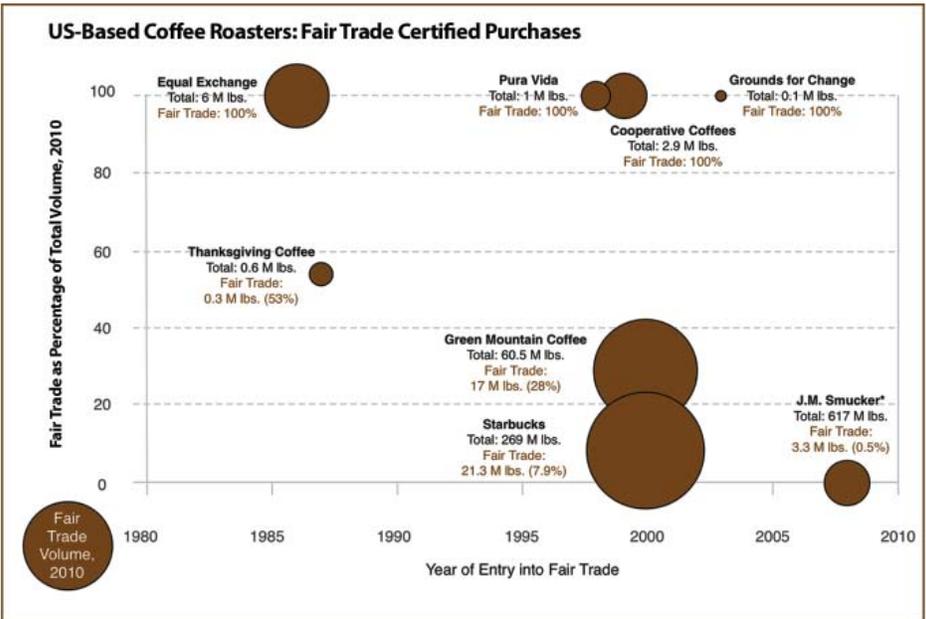


Figure 2 shows selected U.S. coffee roasters based on the year of their entry into fair trade, the percentage of their total coffee purchases that were fair-trade certified as of 2010, and the total volume of their fair trade-certified coffee purchases. For example, the U.S. movement pioneer Equal Exchange began selling fair trade coffee in 1986 (well before formal certification began in the U.S.), and purchased 6 million pounds of fair trade beans in 2010, all of them fair-trade certified.

*2008 data; J.M. Smucker acquired Folger’s in 2008; Folger’s Millstone Brand established a Fair Trade line in 2003

Data: GMCR Social Responsibility Report 2010; Starbucks Global Responsibility Report 2010; TCC Coffee Barometer 2009; Transfair USA/Fair Trade USA Almanac 2010; personal communication 2011

Data: Tropical Commodity Coalition, Coffee Barometer 2009

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Figure 3 focuses on the specialty-coffee giant Starbucks, which was the first large corporate entrant into the fair trade market in 2000. The firm has for several years been the largest purchaser of fair trade coffee worldwide, but it has also placed far greater emphasis on its own, first-party certification system, Café Practices. Starbucks' engagement with fair trade peaked in 2009 at 39 million pounds, and then declined substantially in 2010 to 21.3 million pounds, just under eight percent of its total green coffee purchases.

Data: Starbucks Global Responsibility Reports 2009-2010; Social Responsibility Reports 2001-2008

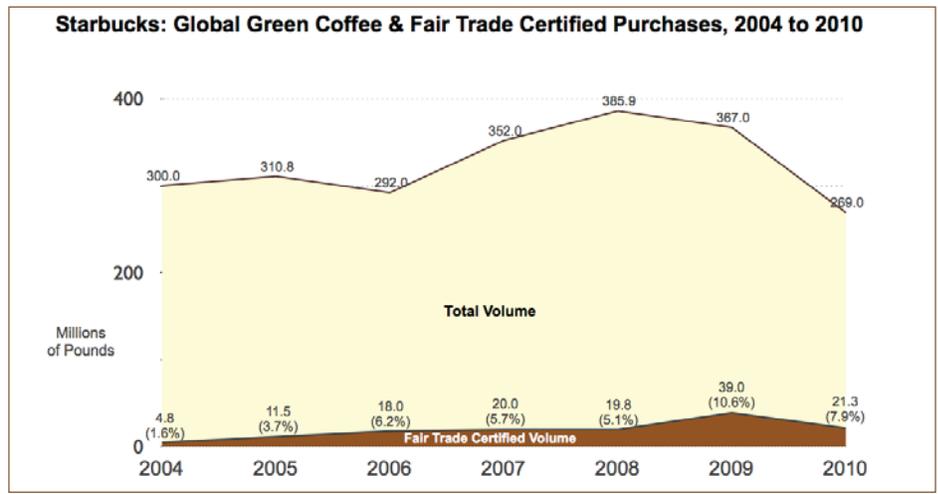


Figure 4 portrays the ownership, licensing, roasting, and branding relationships between various firms selling fair trade-certified coffee in the U.S. It also distinguishes between 100% fair trade firms and those selling less than 100% fair trade (often far less, as Figures 1, 2, and 3 indicate). For example, Thanksgiving Coffee roasts the beans for Global Exchange's 100% fair trade-branded coffee. Restaurant and store-brand sales represent a growing proportion of fair trade sales. Starbucks wholly owns Seattle's Best Coffee, and roasts the coffee for Costco's Kirkland store brand. Green Mountain Coffee has roasting and/or licensing arrangements with McDonald's, Bruegger's Bagels, Newman's Own, and Caribou Coffee. Cooperative Coffees is a 23-roaster association with members in the U.S. and Canada that purchases coffee collectively.



We hope these graphics will serve as a tool for consumers, and also contribute to ongoing debates within the fair trade movement regarding the benefits and challenges of corporate participation; how best to manage the relationships between fair trade activists, NGOs, certifiers, corporate licensees, and 100% fair trade firms; and the future direction of fair trade.



Contributing Writer

Ryan Zinn

FWP's Statement on Fair Trade USA's Resignation from Fairtrade International (FLO)

Fair trade is a social movement and market model that aims to empower small-scale farmers and their communities in underdeveloped countries to create an alternative trading system that supports equitable trading, sustainable development and long-term trading relationships. Fair trade supports fair prices and wages for producers, safe working conditions, investment in community development projects, and the elimination of child labor, workplace discrimination and exploitation.

Certified fair trade products now represent a multi-billion dollar industry with over 10,000 products in the marketplace. Consumer demand for fair trade products has steadily risen over the course of the last decade thanks to the tireless work of dedicated advocates, fully committed companies, and students.

On September 15th, Fairtrade International (FLO) and Fair Trade USA (FTUSA) jointly announced that FTUSA was resigning its membership in FLO, effective December 31, 2011. FTUSA's resignation from the FLO system is partially due to its new initiative, "Fair Trade For All," which it claims will "double the impact" of fair trade by 2015.



FTUSA will also be phasing out its longtime black and white "bucket boy" seal, replacing it with a new seal, allowing FTUSA to compete with FLO globally.

In an open letter, Rob Cameron, former CEO of Fairtrade International, wrote: "I, the staff at Fairtrade International, and the entire global Fairtrade network sincerely regret FTUSA's decision to pursue its own approach, rather than continue working within the global system. It is a decision they have taken themselves, and we have to respect their choice."

Fair Trade USA's move raises many questions for fair trade producers in the Global South. Many producers rely heavily on the US market for sales and distribution. FTUSA's exit from the FLO system has caused confusion in the near-term as FTUSA's has not finalized its own standards or details regarding its new labeling scheme, but initial versions markedly weaken key fair trade provisions and criteria. In the long run, if final rules remain low-bar, FTUSA may well undermine consumer trust in the fair trade market and the overall positive impact for producers.

The Problems with Plantations

At its core, "Fair Trade For All" is FTUSA's unilateral decision to initiate certification of Fair Trade coffee on plantation operations. FTUSA intends to open cocoa to plantation certification as well. Fair trade was established on the values of supporting small-scale, disenfranchised farming communities, most often organized in democratic cooperatives. Despite claims to the contrary, hundreds of thousands of small coffee and cocoa producers organized in cooperatives and certified fair trade still lack access to fair trade markets. To continue to make progress and expand the benefits of fair trade, these producers must be given priority and support when considering further expansion of the fair trade system. Without strict standards and implementation, the expansion of fair trade to include plantations in coffee and other sectors will most certainly erode standards and dilute fair trade's impact.

While it is true that farmer and worker advocates are deeply concerned with the plight of farmworkers and other hired laborers in the Global South, it is not conclusive that the current fair trade system is the best antidote for their situation. Fair trade's record as it relates to hired labor or plantation operations, like tea and bananas has been anything but successful. In fact, the literature suggests that

the global coffee supply. Despite the current high prices in the coffee market, fair trade coops are still unable to sell the majority of their coffee under fair trade terms. Expanding fair trade certification and market access to large-scale plantations will assure that fair trade cooperatives continue to remain vulnerable to volatile international markets and undermine 25 years of fair trade development.

FTUSA's decision has drawn the widespread condemnation of fair trade producer networks, including the Network of Asian Producers (NAP), Latin American and Caribbean Network of Small Fair Trade Producers (CLAC) and Fairtrade Africa. It is inconceivable that an organization whose organizational values include striving "to always act ethically and value relationships built on honesty, mutual respect and trust" would advance a program without the knowledge or consent of the very producers it aims to support.

Fairwashing Multi-Ingredient Products

Based upon initial drafts of FTUSA's multiple ingredient product policies, on October 19th FWP declared that it would not recognize FTUSA as a reputable certifier as of January 1st 2012 unless key provisions in the policy were corrected. In particular, FWP objected to the lowering of the fair trade content threshold to 25% for a product to bear FTUSA's "whole product" seal and 10% for its "ingredients" seal, and the allowance for multiple ingredient products to receive the FTUSA seals by sourcing the minimum 10% or 25% fair trade (FT) content, even if FT forms of remaining ingredients in a product were commercially available. Over 2,000 FT advocates sent letters to FTUSA objecting to this draft policy.

FTUSA released its revised draft Multiple Ingredients Product Policy on January 18, 2012. FWP is pleased to see that FTUSA has incorporated feedback from various stakeholder groups on impor-



Expanding **fair trade certification** and market access to **large-scale plantations** will assure that **fair trade cooperatives** continue to remain **vulnerable to volatile** international markets and **undermine 25 years of fair trade development.**

fair trade's benefits miss the mark on plantations, undermining the presence of farmworker unions and ceding decision-making power to plantation owners and managers when allocating the fair trade premium.

Small producers and democratic cooperatives are core to the founding principles of the fair trade movement and market. By definition, small producers are vulnerable, excluded and under resourced in the global market. In the coffee sector, small farmers produce approximately 70% of

tant issues, especially with respect to raising the whole product seal threshold to "100%" (actually 95% with allowance for non FT minor ingredients similar to the organic program) and ingredients seal to 20%, and reinstating the commercial availability requirement to source FT forms of ingredients in products even if the minimum 20% FT content threshold is reached. The commercial availability requirement in particular is a crucial market driver to expand markets for fair trade producers. However, there are a number of critical areas for improvement, including clarifying

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front package labeling for composite products, tightening compliance timelines for traders from two to one year and creating mechanisms to

rized the misleading and deceptive labeling and advertising of Avon's "Mark" brand products as "Fair Trade Certified" when, in fact, the products

market is overrun with hundreds of social, ethical, green, and sustainable claims, labels and certifiers, many with questionable ethics and standards. For consumers to maintain confidence in FTUSA and its certification program, FTUSA must actively and in good faith be accountable to producers and civil society at large.



The commercial availability requirement in particular is a crucial market driver to expand markets for fair trade producers.

publish to ensure transparency. Pending the final outcome of Fair Trade USA's draft policy for multiple ingredient products, Fair World Project will reconsider recognizing FTUSA as a valid fair trade certifier.

FLO/FTUSA in Context

FTUSA's move away from FLO comes on the heels of the organization's controversial name change. In fall of 2010, FTUSA changed their name from TransFair USA to Fair Trade USA, eliciting a significant uproar from within the fair trade community, with over 10,000 concerned consumers, advocates, and organizations sending letters to FTUSA expressing their concern about what many saw as an effort to monopolize the fair trade market and movement in the United States.

In January 2011, the Organic Consumers Association (OCA) filed a complaint to the Federal Trade Commission (FTC), charging that FTUSA autho-

so labeled contain a minimal amount of fair trade certified ingredients. Over 8,000 people have signed letters in support of OCA's complaint. OCA is awaiting the pending decision from the FTC. FTUSA has repeatedly failed to apply a key FLO rule, commercial availability standard 2.2., which states that "Food composite ingredients must contain as many [FLO Fair Trade] certified ingredients as available." Dozens of products in the US marketplace have failed to source fair trade ingredients, yet continue to display the FTUSA fair trade seal. This dilution of the standards undermines consumer confidence in fair trade and denies producers the full benefit of a fair trade market.

The future of fair trade in the United States and beyond

Fair trade is at a critical crossroads. Despite the incredible potential in the United States to support ethical and fair companies and initiatives, the

FWP calls upon Fair Trade USA to do the following:

1. Suspend plans for certifying plantations in coffee and cocoa.
2. Engage civil society in good faith in the development of its new standards and establish clear mechanisms for accountable stakeholder review.
3. Open its Board of Directors to participation from members of producer networks.
4. Commit to full transparency and traceability.
5. Create an ethical labeling scheme that does not allow a fair trade seal to appear on the front of packaging unless a majority of the product is fair trade; and clearly identifies fair trade ingredients on the front of packaging and whether the product contains coffee or cocoa from plantations.
6. Actively cooperate with FLO, IMO and other reputable certifiers to establish a "high bar" standard for fair trade certification, with mutual recognition for purposes of sourcing ingredients under the commercial availability requirement.

North America Fair Trade Stakeholder Council Forms to Clarify Direction of Fair Trade

With Fair Trade experiencing monumental change in the past few months, some committed stakeholders in North America started a dialogue initiative in December 2011 to clarify the direction for the Fair Trade movement in North America with the goal of upholding its benefits for marginalized producers around the world. The initiative, called the North America Fair Trade Stakeholder Council, will begin with around 40-50 nonprofits, advocacy organizations, committed companies, producer/farmer/worker groups, academics and others, who will hold conference calls and email discussions over several months before attending an in-person summit April 30 – May 2, 2012.

The Council seeks to advance these four goals:

- ◆ Define fair trade and the movement, what they are and what they are not

- ◆ Organize the North American fair trade movement under a coordinated infrastructure with a common vision

- ◆ Reach agreement on a plan for cooperation and accountability within the movement

- ◆ Develop a clear external message for the movement

As the Council gets more organized and more momentum, it intends to periodically share its major ideas & highlights with the public, and to occasionally invite public comment. In balancing efficiency with inclusiveness and transparency, the Council intends to maintain open, clear and transparent communication channels with stakeholders in other organizations, as well as other producer and consumer regions, to collaborate as much as possible.

Organizations participating in the Council:

Alta Gracia Apparel
Alter Eco
Bon Appétit Management Company
Ben & Jerry's
Canaan Fair Trade
Canadian Fair Trade Network
CATA – the Farmworker Support Committee
Catholic Relief Services
CLAC
Community to Community Development
Cooperative Coffees
Dean's Beans
Discovery Organics
Divine Chocolate
Domestic Fair Trade Association
Dr. Bronner's Magic Soaps
Equal Exchange
Fair Trade Burlington
Fair Trade Federation
Fair Trade Los Angeles
Fair Trade San Diego
Fair Trade Resource Network

Fair World Project
Farmer Direct Co-operative
Food Chain Workers Alliance
FUNDEPPO
Global Exchange
Green America
Handmade Expression
JUSTA Fair Trade
Just Coffee
Just Works
Kusikuy Clothing Company
Made by Hand International
Co-op
Maggie's Organics
Northeast Organic Farming Association
Olympia Co-op
Once Again Nut Butter
Organic Valley
Peace Coffee
Presbyterian Church USA
Rural Advancement Foundation International
Thanksgiving Coffee
Theo Chocolate
United Students for Fair Trade
Vermont Coffee Company
World Fair Trade Organization
Zhen's Tea



Contributing Writer

Monika Firl, Cooperative Coffees, Producer Relations Manager

Maya Vinic: Moving from Tragedy to Triumph

If you have ever been to the headquarters of the coffee producers' cooperative **Maya Vinic** in Acteal, Chiapas – you understand the powerful, positive impact genuine fair trade relationships can have on the lives of small-scale farmers.

A Little bit of Background

The founding members of Maya Vinic come out of the organization of Liberation Theology catechists, "Las Abejas," who created their cooperative in the aftermath of the December 22, 1997 Acteal massacre. On that fateful day, a group of locally trained paramilitary entered Acteal shooting at random. Men, women and children dispersed in terror, seeking refuge. Unfortunately, no space was found safe, nor sacred... and ultimately the 45 women, children and elderly men who fell victim were those who remained in the Acteal community church praying for peace.

The day of the funeral was hot, resolute and devastatingly sad. Each member of the community arrived carrying a brick – which would be used to build a mausoleum to commemorate their dead. Yet it wasn't until three years later, with the birth of Maya Vinic that they were able to create the foundation for new life in the community.

The founding members worked hard: organizing, training, reclaiming the land, composting, pruning, communicating... both to locals for support and externally for a fair market - all looking for a better alternative to the life they had just come from.

"We were facing so many challenges at the beginning," recalled Antonio Ruiz, a founding member and currently working as the Maya Vinic office and commercial manager. "But despite being chased from our homes, displaced in refuge camps and living so precariously those first years – we never lost hope. Our cooperative helped serve as a light to follow... that not only kept us alive economically, but also served to keep our community together."

The municipality of Chenalho is located in the region known as "Los Altos" or the Highlands of Chiapas, a mere 70 kilometres from the touristic destination of San Cristobal de Las Casas. But until these "outbursts of violence" most foreign visitors and Mexican nationals alike had never heard of Chenalho.

Chenalho is a region rich in timber, sheep and cattle, corn, bean and vegetable crops, and perfectly suited for growing high-quality, organic coffee.

And yet despite this wealth of natural resources, Chenalho is poor in health, education, minimal sanitary conditions, clean water, and economic and social justice.

Since the founding of Maya Vinic, Cooperative Coffees has been one of their primary trading partners. We have seen the cooperative grow and develop into a self-sustaining, dynamic and motivated family of farmers.

Maya Vinic now sells all their export grade green coffee into fair trade and organic premium markets. They also have developed a substantial national market for roasted and ground coffee and will inaugurate their first coffee shop in San Cristobal de Las Casas early 2012.

Over the years, we have attempted to walk their development path together – with roaster members of Cooperative Coffees directly involved in their projects. For example: the roaster Higher Grounds Trading supported potable water wells

bers together with producer representatives from 12 producer coops across Latin America. Some 40 people will spend four days visiting communities and farmers' fields, exchanging ideas and experiences in organic production, and debating the opportunities and challenges we face in the ever-changing landscape of fair trade.

During this gathering, we expect a heated debate regarding the proposal to include large-scale plantations in the USA-based, *Fair-Trade-for-All* project. From the small-scale producer perspective, this initiative flies directly in the face of what fair trade pioneers set out to accomplish.

To unravel how we got to this place, we need to look at how the FairTrade Labeling Organization (FLO) historically focused on "growth strategies" that shifted both its thinking and the face and the focus of what fair trade intended to accomplish as a values driven enterprise. Take this to its tragic-comedy extreme and you have TransFair USA (re-baptized Fair Trade USA, cum "Fair-Trade-for-

All") distorting and diluting the basic concepts of fair trade to the point that we now barely recognize what we're talking about when someone utilizes the term.

Allowing plantation coffee to be called "fair trade" is like calling "clean" coal "green energy" on par with solar and wind: insofar as "green energy" sourcing targets could be met using

"clean" coal, then true green energy sources like solar and wind are sabotaged. Similarly, calling plantation coffee "fair trade" threatens to displace true small farmer produced fair trade coffee. Clean is better than dirty coal but is still not "green"; ethical labor conditions on plantations is better than exploitative but is still not "fair trade". Fair trade first and foremost means trading with small family farmers who own their own farms.

In the case of coffee, we are dealing with the single most important tropical commodity. In economic terms, that makes coffee second only to crude oil, and is the primary export of many developing countries. According to the International Coffee Organization (ICO), worldwide exports of coffee reached an estimated US\$ 15.4 billion in 2009/10 and some 5.6 million tons shipped. Today with the increase in coffee prices the market value of coffee exports in 2011 is well over US\$ 30 billion. And yet, most coffee producers wear the desperate face of poverty.

An estimated 70% of the world's coffee is grown by 10 million small-scale farmers, cultivating less



Photo Credit: Monika Firl

in Maya Vinic communities; the roasters Alternative Grounds and Development & Peace promoted the Maya Vinic story to open Canadian markets; and many other roaster members helped facilitate workshops to improve understanding of export market realities and quality criteria.

At Cooperative Coffees, we are proud of our role when we see Maya Vinic commercial managers negotiate better prices for higher quality coffee, both on our own contracts as well as contracts they negotiate with their other buyers.

"With buyers like Coop Coffees, we are able to go beyond a trading partnership," says Maya Vinic advisor Luis Alvarez. "Together, we have created a strategic alliance. And not having to worry each year where we will sell our coffee, frees us up to concentrate on important projects like improving yields and quality and launching new projects."

Now, 10 years later and in celebration of our lasting partnership in trade, Maya Vinic will be hosting our 2012 assembly meeting in Chiapas – bringing our importing staff and roaster mem-

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than 10 hectares of land in 80 coffee-producing countries in Africa, Asia and Latin America. The vast majority of them lack access to clean water, basic education, decent housing and all too often adequate food on the table.

Add to the mix that most coffee-producing countries have economic policies in place that favor and incentivize large-scale plantation production and traders – thus, leaving small-scale farmers to struggle for market share on a rigged playing field, left “to compete” without access to adequate credit, inputs or technology.

And THAT inequality is precisely what fair trade set out to address.

Today with the launch of “Fair-Trade-for-All” – placing plantation and small-scale farming operations in the same basket - we have lost a fundamental differentiation in fair trade, and small-scale farmers find themselves right back at the starting gate for equitable trading conditions.

At Cooperative Coffees, we don't believe in trickle-down economics. If channeling resources through the most consolidated centers of power were functional, we would not be in this world-wide economic mess to begin with. We believe that change happens when you empower the disadvantaged.

Cooperative Coffees is a cooperative green coffee importer owned by 24 roaster members and specialized in high quality, fair trade and organic coffees. We expect to purchase 3.5 million pounds of green coffee in 2012, or an estimated \$11 million in contracts paid directly to small-farmer cooperatives. In the coffee industry that makes us a “small player” – which motivates us all the more to make every gesture count. We strive for maximum, positive impact on the lives of small-scale farmers – whom we consider the backbone of this industry – as well as creating positive impact at every subsequent step along the way.

For more information about our position on fair trade, visit: www.coopcoffees.com/committees/fair-trade-task-force/navigating-fair-trade/coop-coffees-position-on-fair-trade



Photo Credit: Coop Coffees

Maya Vinic now sells all their export grade green coffee into fair trade and organic premium markets. They also have developed a substantial national market for roasted and ground coffee and will inaugurate their first coffee shop in San Cristobal de Las Casas early 2012.



Contributing Writer
Jeronimo Puijn

Small Producers' Organizations at the Forefront of Fair Trade

The Current Situation for Organized Small Producers

Most small producers live in communities with low levels of development, without adequate public services, and without sources of income to live a dignified life. The future prospects for Small Producers' Organizations (SPOs) in the marketplace, and even in so-called “fair” or “sustainable” markets, are increasingly bleak. This reality is due to the increasingly unfair and unequal competition by major multinational corporations in the marketplace.

Despite years of organizing, many SPOs are not yet able to sell their products at sustainable prices through their own channels or with long-term commitments from companies to purchase their products. Compounding these challenges, SPOs have a low or insufficient level of ownership and/or influence in the policies, standards and operations of sustainable certification systems.

Nevertheless, producers' networks and their ability for self-management, outreach and influence have been increasing over the last two decades. Many small producers' organizations and their respective networks have made considerable progress, building capacity for local sustainable development through key projects and initiatives.

Latin American and Caribbean Network of Small Fair Trade Producers' (CLAC) and the Small Producers Seal

SPOs cofounded the modern fair trade system at the end of the 1980s. SPOs and producer networks from Latin America and the Caribbean, Africa and Asia together have grown the market of fair trade to over \$5 billion dollars annually.

The CLAC – the Latin American and Caribbean Network of Small Fair Trade

Producers –was created as a multi-product network of the region's Organized Small Producers in 2004 during the Fifth Regional Assembly of the Latin American Network of Small Coffee Producers. Currently, CLAC brings together approximately 300 cooperatives that produce coffee, cacao, honey, bananas, orange juice, pineapple, mango, sugar, oil, seeds, nuts and other products in 21 Latin American countries.

Since the creation of the producer networks that preceded CLAC, emphasis has been placed on the importance and need of small producer's organizations to maintain their identity within fair trade and sustainable production movements, both in the international marketplace, as well as the emerging local fair trade markets. In March 2006, in Tuxtla Gutiérrez (Chiapas, Mexico), the CLAC launched its Small Producers' Symbol (SPS) at a global fair trade conference. In 2009 the Symbol's administrative office was established as the Foundation of Organized Small Producers (*Fundación de Pequeños Productores Organizados, A.C.* (FUNDEPPO), a non-profit based in Mexico City.

The Small Producers Symbol aims to represent the values of organized small producers and act as a seal that identifies products from small producers' organizations. With the seal's end goal to support the sustainable community development of small producers and provide a dignified life for their families



and communities. The SPS is an independent and affordable certification system based in countries of origin, and on the values of sustainable production, democratic organization, fair trade and self-management. It is a unique initiative created and owned by small producers from the South to identify ourselves in the local and international market. It responds to the problems and a reality experienced by small producers and promotes the integral quality of their products.

Small producers face many challenges, including uncertain land tenure, access to credit and markets, and a global food system that prioritizes corporate agribusiness. This seal is an important part of the struggle by small producers' organizations for a fairer and more sustainable world, now increasingly controlled by large-scale businesses whose values are based on domination and exploitation. This symbol allows SPOs to communicate our values of sustainability, dignity, justice and solidarity with consumers.

The Small Producers' Symbol is based on the principles and values that gave rise to fair trade. The standards of this label establish sustainable prices and rules for fair deals. Our symbol is part of the movement working for sustainable production, solidarity economy and fair trade. It seeks to strengthen local economies and to create a different market and world based on values and principles of justice and solidarity. It fulfills the great alliance to safeguard the sustainable future of small producers, our communities, culture and projects.

FUNDEPPO and the Future of the Small Producers' Seal

In 2010 the first comprehensive version of the

SPS certification system was finalized. By the end 2010, the SPS system entered its operational phase and certified 10 cooperatives, granting them use of the Small Producers' Symbol. In 2011 the Small Producers' Symbol system moved into full operation and is expanding its coverage to

Africa and Asia. To assure broad access to certification services, FUNDEPPO is working with different organic certification entities, such as Certimex and Biolatina to provide services throughout the continent. Additional agreements with other organic certifiers are currently being negotiated.

The need for the SPS is more pressing than ever. Fair trade certifiers and standard bearers

have historically ignored the perspective of small producers, especially with regard to the inclusion of plantation labor within the fair trade system. With new initiatives, like Fair Trade USA's "Fair Trade for All," which aim to expand plantation certification to coffee and other commodities, small farmers need a seal that represents the founding values of fair trade. This SPS helps small producers distinguish their fair trade products in the marketplace, while providing a clear indicator for consumers to purchase products that reflect their values.

Although FUNDEPPO was founded by the CLAC, its daily governance structures operate independently of CLAC, primarily through its Board of Directors and its Standards Committee. FUNDEPPO's board and committees not only have representative participation of SPOs and their networks, but also delegates of European and North American Alternative Trade Organization. FUNDEPPO foresees other sectors, like consumer advocates and other civil society organizations participating within the Foundation's governance in the future.

FUNDEPPO, in close cooperation with CLAC, its national networks of members, and its product networks, has developed a complete system of standards and certification that complies with the ISO 65 international standards for certification. FUNDEPPO's certification procedures for producers and traders are designed to be quick and inexpensive. SPOs and companies with solid internal control systems will have little problem complying, as long as they stick to the standards.

The number of SPOs, traders and other actors who are certified or in process to become so, has quickly risen to a total of 67, including many from producer countries as well as "consumer" countries, like the United States, Canada and Europe. Recently the first products with the SPS on the European market were introduced by the cooperative fair trade company Ethiquable. With the addition of more certification organizations,

FUNDEPPO anticipates continued growth in certified SPS and traders.



Small Producer Symbol: The future for Fair Trade Producers, Traders and Consumers

The SPS offers an accessible certification system that collaborates with small producer organizations as authentic, democratic, self-managed organizations. It offers the advantage of establishing criteria that correspond to producers true needs for sustainable production and dignified living, as well as facilitating production and marketing for local markets. For fair trade companies, the SPS provides an opportunity to distinguish themselves from other companies and other seals on the market by underscoring all of the Symbol's added values: solidarity, sustainability and social, economic and ecological responsibility.

Finally, for consumers the SPS offers an option to promote responsible consumption by strengthening democratic self-management by small producers and thus contributing to economic, social and environmental equality locally and globally. Consumers are assured that the product they are purchasing develops a direct solidarity relationship with the small producers who are behind these high-quality products. Consumers are able to directly assist small producers in making their production and their lives more sustainable and fair, while supporting the producers' organizations capacity building and local economy.

What do the Small Producers ask you?

FUNDEPPO wants people and companies involved in fair and sustainable trade to get to know what the Small Producer' Symbol is about, support it and get involved in this initiative as much as possible as a way to differentiate and promote the products and values of SPOs within and outside the fair and sustainable trade market. Let's build this great alliance between people with similar values on both sides of the supply chain for once and for all. Asking for the SPS at your favorite shop is one of the best ways to create the demand and success of this effort in the market.

For more information on the Small Producers Seal, please visit their website (<http://tusimbolo.org/>).





Contributing Writer

Jonathan Rosenthal, Just Works Consulting

FAIR TRADE

The Long Journey That Informs the Current Reality

Twenty-five years ago, Rink Dickinson, Michael Rozyne and I founded Equal Exchange, an idealistic company that aimed to revitalize the food experience for US eaters. We envisioned a company that would help birth a movement and enable people to know where their food came from, who grew it and under what conditions it was produced.

More has been accomplished than we ever imagined possible. Today, there are hundreds of companies devoted to what is now called fair trade, including some of the biggest brands in the world. Yet, we are not finished. I am reminded frequently that what we have ended up with is what I might call “less unfair trade.”

Fair trade is often presented as a recent invention that will solve many of the world’s problems instead of more accurately as a tool that has evolved over thousands of years. The notion of fairness in trade and community has a long history. The Torah and Christian Bible, the Koran, Hindu and Vedic texts, the writings of the Buddha, and many indigenous traditions offer ethical guidelines for trade and supporting the poor and less fortunate among us.

In the United States, one early forerunner of what we call fair trade was the Free Produce Movement. Started in England, it was promoted by Quaker abolitionists in the 1800s as a way to end slavery by eliminating markets for items produced by slaves. More recently, after the end of the Second World War, faith-based organizations began importing goods produced by refugees, artisans and communities deemed poor or disadvantaged. In subsequent decades, nonprofit organizations and principled small companies working in solidarity with social movements, liberation struggles and socialist countries expanded this type of trade.

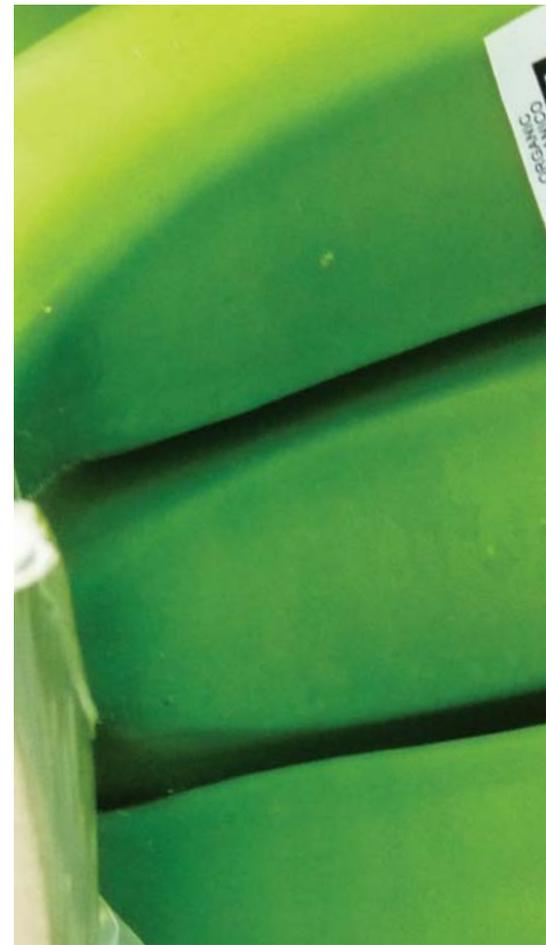
Most of these efforts were small and outside of mainstream trade, using alternative distribution methods to move goods from their producers to their final consumers. Then, in the 1980s, spurred by a lack of access to sufficient markets, a group of indigenous coffee farmers in Mexico decided

to find a way to overcome the limited possibilities of the alternative traders and gain better access to important markets in Europe. A Dutch priest, who worked with the farmers, joined with a Dutch nonprofit leader to create the first fair trade certification. Inviting larger companies to commercially distribute ethically sourced products transformed the niche practice of alternative trade into the widespread phenomenon of fair trade, with a resulting rapid rise in awareness and sales.

There has, however, been a downside to this success. Where once alternative trade was ethical from initial production through distribution to final purchase, it was now mixed with commercial trade. Fair trade products were clearly certified, but whether .1% or 100% of a company’s sales were fair trade, the company could still promote themselves as a fair trade company. Thus, a whole product line could benefit from the halo effect of having one or two fair trade products, and consumers had no way to tell how dedicated a company was to fair trade.

As fair trade certification became more prominent, pressure for more rigorous certification also increased. Producers had to start paying for certification that was largely controlled in Europe. There was little public conversation about this changing power dynamic between poor producers of color and wealthier, mostly white buyers and activists. We had no tools for discussing issues of power and trade in relation to race, class, gender, sexual orientation, language, or education. It was as if we imagined that fair trade had vanquished colonialism and unequal exchange and brought about global justice and equality. In reality, however, the lack of conversation about basic trade relationships, coupled with the rigorous examination of farmers, but not companies or buyers, condoned a major unevenness in the trade system. Although it was far better than conventional trade, it was not fair.

While we implemented the term fair trade to help promote healthier trade relationships, the term itself implied that those relationships existed, that we had achieved a just trade system. In fact,



while fair trade, as it is currently constituted, has delivered great benefits, a closer look suggests that it could more accurately be called “less unfair trade.” For example, if we compared the average fair trade farmer’s standard of living to that of the average fair trade coffee drinker, we would find a huge disparity. Many farmers still struggle to meet their families’ basic needs, while U.S. fair trade coffee drinkers often struggle with having too much rather than not enough.

To better understand the limits of fair trade, let’s put it in context. In 1925, a new car cost around \$290 or about eleven 132-pound sacks of unroasted coffee. In 2011, an average new car cost around \$20,000, equivalent to about 60 sacks of coffee. If those trends continue, in another 85 years, a car will require over 300 sacks of green coffee. Farmers, with or without fair trade, are losing ground if they remain dependent on basic commodities. Fair trade or organic premiums in the long run are not enough to create healthy communities.

This longer term framework helps us see that fair trade is not the sole answer to exploitative trade systems, but rather a tool to help us make traditional trade relationships less harmful and, at times, to change the game altogether. Through fair trade, we do see a change, as trade becomes less environmentally and socially destructive, and, sometimes, even healing for farmers, fami-



The Reality

Today, there are hundreds of companies devoted to what is now called fair trade, including some of the biggest brands in the world. Yet, we are not finished. I am reminded frequently that what we have ended up with is what I might call “less unfair trade.”

lies and communities. Fair trade often provides a platform for building capacity in communities so that they can have more control over creating a better future.

Still, we must face the limitations of our efforts. The rise of fair trade over the past decade to increasingly mainstream status in numerous countries has not been accompanied by a rise in conversations about the long-term impact of trade. Without that dialog, we can still convince ourselves that we already have the answer; we don't have to look at how much we have gained from unfair trade and what changes still need to be made, not just in faraway farms, but inside ourselves, in our own families, communities, culture and countries.

When we try to help “others” without including ourselves in the picture, we perpetuate the invisibility of power, especially institutional power dynamics, and we become complicit in keeping the status quo intact. The US tradition of pretending that the wounds of slavery and the extermination of native people are healed keeps us silent. It appears that the fair trade movement lacks an analy-

sis of systemic oppression.

We focus on changing contracts and tweaking the terms of trade without engaging in the deeper conversations about structural and institutional power that would give us the capacity to work toward truly “fair” trade between healthy communities.

One reason these conversations about power are so difficult is that fair traders face the challenge of being inside an unfair market while trying to transform it. This balancing act is so demanding that even deeply

committed fair traders have little time or space for big picture, often uncomfortable conversations about power that would make a complex undertaking even more challenging.

Others have chosen to get past this limitation by accepting lesser incremental change that promises big scale with large corporations. These fair traders have chosen to use lower social standards, value quantity over quality and use traditional business approaches such as secretive decision-making to give them maximum flexibility. This has created mistrust with activists, farmers' orga-

nizations and even some corporations who aren't sure of the motives or accountability of these fair traders.

Farmers and their organizations and networks, on the other hand approach the competing demands of trade and social change with a practical eye. They try to maintain multiple market channels at the same time as they work steadily to gain more expertise in the marketplace along with more voice in and, ultimately, more control of their trading relationships. A few are even buying or building their own consumer brands (e.g. Divine Chocolate) so they can learn more about the consumer marketing end of the supply chain, where most of the money in trade is captured. While these experiments are small, they are concrete steps toward equalizing trade relationships.

This may seem like a sobering critique. What, you may ask, can we do about it? Just as we did with Equal Exchange, we can all start small and dream big. We can start conversations about power and systems of oppression in our own organizations and networks. As we learn how to do this better over time, we can change the ways we interact with each other and with people across the globe. If we believe that fair trade is not just about helping poor producers but about learning, unlearning and helping ourselves too, then we can push fair trade to move beyond less unfair trade—in our lifetimes and for future generations—into more and more satisfying fair trade.

One reason these conversations about power are so difficult is that fair traders face the challenge of being inside an unfair market while trying to transform it.



Contributing Writer

Introduced and Interviewed by Dana Geffner

Challenges of Certification for Fair Trade Crafts: Part 2

In our last issue, For A Better World featured an article entitled Challenges of Certification for Fair Trade Crafts - Part 1, written by Tony Hall. Today we continue our exploration of why the different craft stakeholders—including producers and artisan groups, wholesalers in the US, and small and large retailers—would or would not want to participate in the certification of fair trade crafts.

We interviewed Rudi Dalvai, president of the World Fair Trade Organization (WFTO), to learn about fair trade craft certification from the perspective of WFTO member producers/artisans and businesses. The WFTO is a global representative body of over 450 members committed to 100% Fair Trade, operating in 75 countries across Africa, Asia, Europe, Latin & North America and the Pacific Rim. With elected global and regional boards, WFTO creates market access through policy, advocacy, campaigning, marketing and monitoring.

We also asked three U.S. fair trade craft businesses of different size to share their perspectives of fair trade craft certification: SERV, with \$8.5million in 2011 sales, Global Crafts with \$1.87million in 2011 sales and World Shoppe with under \$250,000 sales in 2011.

Interview with Rudi Dalvai, President of the WFTO



Dana Geffner: What do you mean when you say crafts?

Rudi Dalvai: First craft has to do with tradition; tradition of technique and tradition of culture. There are also crafts being developed that are transforming local material into items used daily in the fields, like baskets. Crafts are made by hand and are part of the traditional life of people. Crafts were developed thousands of years ago before there were machines. I do not define machine made products as a craft.

Dana Geffner: Do all your members want fair trade craft certification? Who does and who does not?

Rudi Dalvai: No, not at all, there is a clear difference between the desire for a fair trade craft certification from our producer members in the south and traders in the north.

Producer members in the south are very keen to

have a certification. Many of them think that, with the label or a certification mark, markets will open up for them. There are people telling them that if their products had a label they would sell like hot cakes. They are not telling them that other qualities as well are necessary to have success in the marketplace, such as a product needs to be of high quality, delivered on time and priced right so that people will buy it. Therefore, our members in the south have false expectations that a certification label will automatically provide them with access to more markets. I am not saying that the label will not help to sell the product but it cannot be compared with certification labels on food products such as cocoa and coffee. There is a huge difference between the market for commodities such as coffee, and niche markets such as baskets and jewelry.

In the North several members don't see that a label will help increase sales because most products are selling to fair trade shops and not in the mainstream. A lot of people have tried to go into the mainstream with handicrafts but very few have succeeded. Several northern companies are in favor of the label because they understand producers want it. They mainly support it for this reason. Some of them feel the label could help; for example I had a conversation with the owner of People Tree, a UK Fair Trade clothing company. She talked about needing the FLO label for her products if she wanted to sell her clothing as fair trade and get them to the mainstream market. It depends a lot on the country, in the UK it is required on textiles, but for musical instruments - even in the UK - it does not matter much.

Dana Geffner: In your view point, what are the benefits and downfalls of implementing a certification?

Rudi Dalvai: In commodities, not handicrafts, producers have seen volumes increase substantially through FLO certification. They benefit from increased market access and in some ways they are a little more protected. In the early years, Fair Trade Organizations (FTOs) worked in partnership with producer organizations. Today the big players are coming into the fair trade market with no clear regulations to monitor and inspect them and mostly their main objective is to make profit.

Generally profit is what you make when you buy cheap, sell high and keep wages low. Selling high is not easy and so you have to buy cheap and pay low wages. For example: a big cocoa buyer in Europe was buying about 50 containers of conventional cocoa from one producer organiza-

tion in Latin America. The buyer wanted access to the fair trade market in Europe and started to buy 10 containers under fair trade conditions from the same producer organization. He had to pay the fair trade price to be certified by FLO. He then went to the producer and asked for a discounted rate on the 50 containers since he paid such a high price for the 10 fair trade containers. I can tell you a lot of similar stories. On one hand certification has contributed to increased sales for fair trade producers and on the other hand it has reduced the advantage that fair trade brings to them. FTOs are idealists; they still make mistakes and are not always efficient, but normally they don't deliberately try to exploit people in the name of fair trade.

Another negative point is that fair trade certification gets extremely complicated for small producers and some times it is not easy to fulfill fair trade criteria. When you have certification in accordance with ISO standards, it can be too strict because the world is a little bit more complicated than a set of standards and criteria. When you certify based on ISO standards with closed eyes you sometimes expect something from producers that is unrealistic. This can make life much more difficult especially for small producers. Another negative is that certification is too expensive and bureaucratic for small producer organizations, but not for big plantations.

Traders in the mainstream market can gain access to new markets if they start selling fair trade certified products. Fair trade certification also protects FTOs from unfair competition. Costs are higher for traders that are fulfilling all the fair trade standards. Therefore, if someone claims to be trading using fair trade criteria but is not, their costs are lower because they are not paying for such things as fair wages, training and supporting community development. Therefore certification reduces unfair competition and puts all people that are certified on the same level.

Similar to the negative mentioned to producers, certification is also a burden for the traders for the same reasons, it takes a lot of money and also a lot of extra work.

For the consumer it is a bigger guarantee. Before FTOs were very small and comprised of very committed people. People knew each other in the movement and the guarantee was based on trust. People don't trust any longer because there are big players on the field. The consumers are far away from the traders and even farther from the producers. It is not a coincidence that the consumer organizations are asking for a label for a certification to give a guarantee for the consumers.

By Bob Chase, CEO of SERV



In the early days of the movement, fair trade was a niche market at best with few importers and distributors. The entire supply chain shared a common commitment to reducing poverty

through trade, guided by fair trade values. Almost all of the participants in this process were non-profit organizations with clear developmental agendas. Artisans and customers knew and trusted these organizations and their leaders, whom they often knew personally. Most of the customers were far more interested in supporting social change and economic justice than in the actual products they were purchasing.

The organizations which made up the fair trade community during its early years were part of a close knit community, one which met informally often, shared information openly and which held each other accountable to their shared values.

But Alternative Trade has become Fair Trade and the movement has grown, attracting the attention of a growing number of producers, importers, distributors and retailers. As a result established organizations with long resumes and strong credentials find it increasingly difficult to differentiate themselves from organizations which may be making unsubstantiated claims regarding their adherences to fair trade principles.

Discerning consumers can certainly verify the credentials of the organizations from which they purchase through their membership in the Fair Trade Federation and the World Fair Trade Organization and they should expect these organizations to provide them with detailed information about how they adhere to all 10 fair trade principles.

But the reality is that as interest in fair trade grows, consumers will require and deserve third party verification of fair trade claims. Some continue to say that it is not possible to establish measurable standards for handmade products. Others feel that requiring home based artisans to be paid a fair hourly wage will price their products out of the market. And some feel that the systems necessary to assure compliance to a certification system will leave poor producers and small importers at a disadvantage in competing with much larger organizations.

These are the same arguments which have been made consistently to oppose minimum wage laws and fair labor standards in our own country. Developing meaningful certification systems will require ingenuity and creativity and there will be costs involved in adopting and adhering to a certification system. But these costs should be seen as an investment in insuring the integrity and sustainability of the fair trade marketplace.

Handmade products gave birth to the Fair Trade movement and have changed the lives of millions of poor artisans in dozens of developing countries. The market has changed offering new opportunities to tens of thousands of artisans. Certification is a small price to pay to assure that these artisans, and not the intermediar-

ies, truly reap the benefits from the purchases of consumers desiring to support economic justice with their purchasing dollars.

By Kevin Ward CEO and owner of Global Crafts



Certification is often held up as the panacea of fair trade. Following the success that labeling of agricultural products, such as coffee, has undoubtedly had on the sale of fair trade products, handicraft producers are eager to see similar results. Handicrafts are fundamentally different and even if we were to take the success of fair trade labeling at face value, it

would not transfer to the handicraft sector. Furthermore, the success of fair trade labeling in commodities has also caused some significant and largely unavoidable problems that we in the handicraft sector may be best avoiding.

For now, let's assume that the certification and labeling of commodities has been a success that we should seek to emulate. The question shifts to one of results; would a craft certification and label have the same positive effect in the marketplace? I am a coffee drinker and a passionate believer in fair trade. The act of buying groceries and making the decision to buy fair trade over other coffees is fairly straight forward. I am not a coffee aficionado; I am a coffee drinker who buys fair trade coffee.

Will consumers buy one bracelet over another because of a label as I do with coffee? No, the label is just one small part of a much larger decision making process based around, quality, aesthetics and an array of other factors.

Even if you disagree and believe consumers will choose to buy that bracelet because of a label, is the price we will pay for a reliable certification system worth it? The craft sector is lucky enough to see from our commodity-based friends the negative impacts of fair trade certification and labeling.

For a label to have meaning it must be trusted and backed up by a strong certification system. The cost of these systems is high.

Others will argue that it can be done at a lower cost, but frankly, you get what you pay for. If we want a system that is credible it will be expensive.

The cost of coffee certification excludes small scale farmers from the system, leaving them to try to sell their fair trade coffee without the label next to the big brands that have the label. New businesses find

entry much more complex and expensive, with the added burden of attaining certification. Fair Trade has long been criticized by those on the outside of membership organizations as an exclusive club. Certification will only make this worse.

Finally, it is relatively easy to cost commodity production. Craft production is a very different story. A model that establishes fair pricing for jewelry making in India has no relevance to basket making in Uganda. Craft production is simply much more diverse and in many ways complex than commodities.

By Megy Karydes, Owner of World Shoppe



Ideally, one certifying body would oversee a craft business from beginning to end and provide (or not) its stamp of approval. Similar to what occurs in the organic movement. The appeal of such certification is tantalizing.

In our case, craft certification would benefit us because it would allow us to legitimately put our stake in the ground and say, yes, our products are fairly traded. We work directly with our artisans, ensure they are paid a fair wage, work with them on a long-term basis and treat them as partners. Right now, our best option is membership in the Fair Trade Federation.

When we began wholesaling our jewelry from South Africa and Kenya, well-meaning retailers asked us if we were certified, incorrectly assuming that all fair trade products could be certified. I would explain, best as I could, that while we are an active member of the Fair Trade Federation, we were not "certified" as such because we are not a commodity-based business. One retailer showed me TransFair's logo on a bar of soap. Try having that conversation with a retailer who isn't involved in fair trade daily, how that's not the same thing. She doesn't care. She wants to see that logo so she can show her customers.

But what is happening in the fair trade movement nationally and internationally with regards to certification frightens me. Organizations are splitting off and creating their own certification criteria. National and international media is paying even more attention and providing more airtime and ink space on the topic of fair trade certification and what it really means. Consumers are becoming even more confused.

Craft certification from a legitimate organization which has the artisans' best interests in mind would be ideal. It would be powerful for them to be recognized for more than just making stuff. Fair trade is so much more than that.

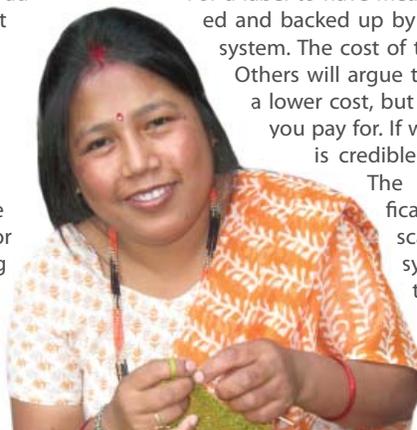


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- ▶ Bliss out beachside in Mirissa
- ▶ Learn the secrets of Sri Lankan cuisine in Bandarawela
- ▶ Shop up a storm in Colombo
- ▶ Walk the ramparts of Galle
- ▶ Witness elephants bathing in the river in Kandy
- ▶ Visit the sacred Bo Tree in Anuradhapura
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