FAIRTRADE AMERICA
FAIRTRADE 101

WHAT PROBLEM IS FAIRTRADE AIMING TO SOLVE? HOW?

HOW DOES THE FAIRTRADE SYSTEM WORK?
WHAT’S THE PROBLEM?

ON THE FARM:
– CHILD LABOR
– CLIMATE CHANGE
– LACK OF ACCESS TO FINANCE
– GENDER INEQUALITY
– WORKER ABUSES

IN THE SUPPLY CHAIN:
– SUPPLY CHAIN BOTTLENECKS
– LACK OF DEMAND
– LACK OF TRANSPARENCY & TRACEABILITY
– PURE PROFIT MOTIVE
THE WORLD TODAY

THE CHALLENGES THE WORLD FACES ARE INTRICATELY INTERCONNECTED:

– WE CANNOT ADDRESS POVERTY UNTIL WE ADDRESS INEQUALITY

– RAMPANT DEVELOPMENT EXACERBATES CLIMATE CHANGE

– ANY APPROACH TO ERADICATING CHILD LABOR AND FORCED LABOR MUST ADDRESS SUSTAINABLE LIVELIHOODS THROUGHOUT VALUE CHAINS

– LACK OF EQUAL RIGHTS FOR WOMEN INHIBITS PROGRESS ACROSS THE BOARD
THE WORLD WE WANT

FAIRTRADE SEEKS A WORLD WHERE:

– THE BENEFITS OF TRADE ARE DISTRIBUTED MORE EQUITABLY

– HUMAN RIGHTS ARE RESPECTED AT EVERY STAGE OF THE VALUE CHAIN, FROM THE LARGEST MULTINATIONAL TO THE SMALLEST PRODUCER ORGANIZATION

– BUSINESS CONTRIBUTES TO SOLUTIONS RATHER THAN EXACERBATING PROBLEMS

– FAIRNESS AND JUSTICE COME FIRST

– GOVERNMENTS AND POLICYMAKERS ACTIVELY FOSTER THE ENVIRONMENT REQUIRED FOR TRADE TO DRIVE LIVING INCOME AND LIVING WAGE
**Fairtrade’s Vision**

A world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their futures.

**Goal 1:** Make trade fair

**Goal 2:** Foster sustainable livelihoods

**Goal 3:** Empower small producers and workers

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**Fairtrade Certification and Standards**

The core program of licensing, standards and certification

- Grow consumer market for Fairtrade
  - Certification as foundation for good practices and buyer / farmer relationships
    - Capable farmer organizations
    - Improved farmer livelihoods
    - Capable and aligned producer networks

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**National and Global Advocacy**

Growing global demand by raising the issues of fairness and equity

- HOW
  - A grass-roots movement
  - Advocacy and campaigning

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**Supporting Producer Programs**

Deepening impact poverty through producer services programs

- AREAS
  - Climate resilience
  - Gender and youth
  - Organizational strengthening
  - Living income
FAIRTRADE CERTIFICATION MEANS:

1 Growing without harmful chemicals

Fairtrade encourages sustainable production and initiates a long-term approach to environmental protection. No GMOs are allowed in Fairtrade.

2 Labor Standards

Fairtrade makes sure that farms comply with the highest labor standards, including no child labor, freedom of association and non-discrimination policies.

3 Handled and traded fairly

Fairtrade audits farms and traders annually to ensure that the whole supply chain complies with the standards.

4 Fair pricing

Fairtrade guarantees producers a fair price that reflects the costs of producing sustainably.

5 Giving back to communities

Upon sales of their Fairtrade products, small-scale farmers and workers receive the Fairtrade Premium, which they can invest to develop their businesses and empower their communities.
FAIRTRADE SYSTEM STRUCTURE
FAIRTRADE IN 2014-2015

- Fairtrade products are available in over 125 countries.
- Most trusted ethical label worldwide & in the US.
- 1,226 producer organizations worldwide.
- More than 32,000 Fairtrade products on sale worldwide.
- Producers received an estimated $117 million in Fairtrade premium.