



Fairtrade at a Glance

Making the Difference

Updated: Jan 2010

What is Fairtrade?

Fairtrade is an alternative approach to conventional trade. Fairtrade offers farmers and workers in developing countries **a better deal and improved terms of trade** – the opportunity to improve their lives and plan for their future. Fairtrade offers consumers a powerful way to reduce poverty through their everyday shopping.

About FLO

Fairtrade Labelling Organizations International (FLO) is a non-profit multi-stakeholder organization. FLO is responsible for the **strategic direction of Fairtrade, the Fairtrade standards and producer support**. The FAIRTRADE Certification Mark is a registered trademark of FLO which shows that a product meets international Fairtrade standards.

“We are very happy that consumers are supporting Fairtrade in ever increasing numbers. These Fairtrade sales make a real difference to the farmers and workers I represent. As the global recession hits us, the income and stability that Fairtrade brings is all the more important.”

– Ruth Simba, Coordinator of the African Fairtrade Network

By the numbers

Fairtrade farmer and worker organizations (end 2008): **746**

Individual farmers and workers: **over one million**

Beneficiaries (producers + family members): **over five million**

Estimated global Fairtrade retail sales 2008: **€2.9 billion**

Annual growth Fairtrade sales 2007-2008: **22%**

Estimated Fairtrade Premium paid for community development in 2008: **€43 million**

Consumers familiar with Fairtrade Mark (in 15 countries): **50%**

Percentage of above consumers who trust the Mark: **91%**

Market overview

The major Fairtrade products: **coffee, bananas, tea, cocoa, cotton, sugar**

New Fairtrade products: **full range of herbs and spices, sweet potatoes, melons, olives and olive oil**

Sample international businesses: **Starbucks, Cadbury, Ben and Jerry's, Sainsbury's, Tate & Lyle, Coop**

Sample 100% Fairtrade organizations: **Gepa, Café Direct, Equal Exchange, Ethiquable, Tradecraft**

Fairtrade Standards

Fairtrade Premium: additional funds for development projects

Fairtrade Minimum Price: a price floor which aims to cover average costs of sustainable production (for most products)

Pre-financing: access to credit in advance of the sale

Contracts: long-term, stable contracts with buyers

Labour rights: core International Labour Organization conventions, including no bonded or illegal child labour, health and safety, freedom of association and collective bargaining, no discrimination

Environment: protection of sensitive nature areas, no prohibited pesticides, safe handling of pesticides and waste, no genetically modified products

Democracy: for small farmer organizations, all members have a say in decision-making. For plantations, workers decide on Premium use

Note: List not comprehensive. Full Fairtrade standards available at www.fairtrade.net

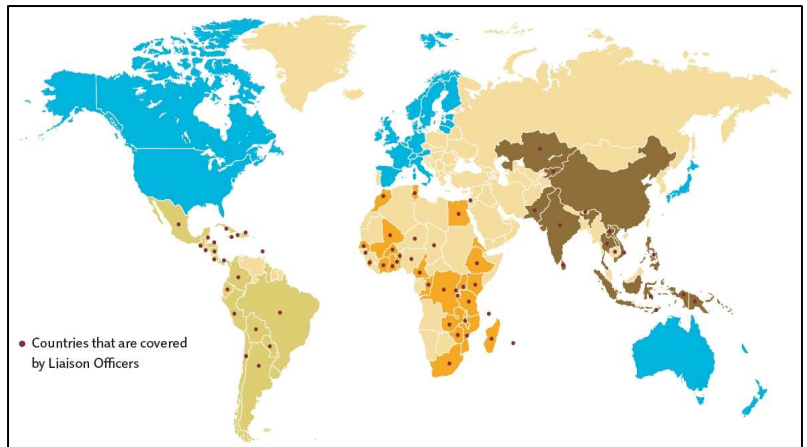


Photo credit: Fairtrade Foundation & Brian Deirdler

Scope

Fairtrade products come from **small farmer organizations or companies with hired labour** (only for certain products) in countries with low to medium development status in **Africa, Asia, Oceania, Latin America and the Caribbean**.

Fairtrade products are marketed by national Labelling Initiatives or marketing organizations working in 25 countries. They are sold in over 70 countries worldwide.



Certification system

A product with the Fairtrade Mark means **independent certification against the Fairtrade standards at each step of the commercial supply chain**: FLO-CERT certifies all Fairtrade producer organizations; FLO-CERT or the national Labelling Initiatives certify the trading companies. FLO-CERT is the only ISO 65 accredited certification body for an ethical label.

Fairtrade's new Global Strategy

Broadening – We will dramatically increase the number of people benefiting: enable producer groups to scale up their business and membership; bring in more producers, more products and more countries
Deepening – We will increase gains for Fairtrade producers: offer improved financial benefits, stronger support for business development and increasing Fairtrade sales, facilitate access to technical support
Strengthening – We will operate as effectively as possible at every level: harmonize our approach worldwide, strengthen our teams, simplify our operations, transfer responsibilities to local managers.

“We are taking a bold and ambitious approach to strengthen, broaden and deepen our impact and improve our effectiveness in the struggle against poverty.”

- Rob Cameron, CEO of FLO

FLO's Members

Three regional Producer Networks and 20 national Labelling Initiatives are full members in FLO's governance. Producer Networks represent the interest of producers in the Fairtrade system and Labelling Initiatives promote Fairtrade to business and consumers in the countries of sale. There are also two associate members.

Funding

FLO and its members are funded through a combination of license fees and external donations.

FLO's Vision

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

For more information, please visit: www.fairtrade.net