



Fair go



By Deirdre Robert

Chances are as you settle back to read this, you're sipping on a piping hot cup of coffee, savouring the aroma and enjoying the sweet taste of a caffeine-fuelled kick-start to your day. But many of the ingredients that go into our favourite daily indulgences — the coffee in your cup, the cocoa beans and sugar in chocolate, the spices in our food and even the cotton in the clothes we wear — are sourced from farmers who are not paid enough to even cover the costs of production, let alone feed their families and provide adequate healthcare and education for their children.

This unjust system is driven by a handful of multinational companies which wield power over much of the international trade market. They push down the prices paid to producers and farm workers in the developing world, reinforcing the cycle of poverty.

For decades the fair trade movement has been working to establish an alternative and much fairer approach to the way materials are traded. Locally, Fairtrade Australia & New Zealand (FANZ) and the World Fair Trade Organisation (WFTO) have been working to empower farmers and workers by paying them a minimum, stable, fair price to cover production costs. The additional payment of a community or social premium enhances the social, environmental and economic standards of the local communities of producer cooperatives.

Elsewhere events such as Fair Trade Fortnight have had a part to play in bringing Fairtrade to the public and corporates. The annual event celebrates all things Fairtrade with a series of events, including Oxfam's Biggest Coffee Break. Since it launched in 2007, Coffee Break has involved more than 85,000 participants throughout New Zealand, with money raised benefiting farmers throughout the Pacific and Asia.

But Fairtrade is certainly not without its controversy. Allegations of child labour in some Fairtrade supply chains have kept the organisation on its toes.

A 2011 survey by GlobeScan found that 57 per cent of Kiwi consumers are familiar with the Fairtrade label. But with Kiwi wallets feeling the economic pinch, are shoppers prepared to put their money where their ethics are and buy Fairtrade goods, and how well is New Zealand poised to take advantage of gaps in the local marketplace?



The 4200 farmers of Movimento Cooperativo Economico-Agricola in East Timor are working with Oxfam to enter the Fairtrade market, and are already seeing the flow-on effects of increased prices for their coffee; things like better education for their children.



Coffee Breakers

Belinda Foster, co-owns an actors agency in Auckland

"I held an Oxfam Biggest Coffee Break last year and am hoping to do a bigger one this year, opening it up to my wider circle of friends and colleagues. Everyone's been really positive about the Fairtrade message and it's also a good excuse to catch up with everyone. It's easy to donate money and sign the chequebook, but it's nice to take it a step further and take the time out to do something about it.

My mother's side of the family comes from a long line of farmers and my grandmother still lives on a farm. I know it's worlds apart, but seeing how hard my family worked and gave to the land, and the passion they put in, gave me an appreciation of what farmers overseas are doing without being rewarded properly.

The success of Fairtrade in New Zealand could well be described as meteoric. Since its introduction in 2005, with sales of just over \$2 million in the first year, the sector has ballooned, with turnover of \$36.6 million in 2010.

FANZ chief executive Stephen Knapp says support for the label in New Zealand has been strong from the offset and has continued in the face of tougher economic times.

"I think that people generally understand that if they're feeling the pinch in their pocket, the poorest people in the world are probably feeling it worse than they are," he says.

He notes a shift in consumer attitude, with people genuinely concerned about the ethics and sustainability ethos behind the production of many of their favourite products. Climate change and food security also play a part, making people think outside of what they're doing on a day-to-day basis.

Location, location

Oxfam executive director and FANZ board member Barry Coates acknowledges New Zealand is doing well, but cautions we're still framed by our geography.

"We have our thinking and politics framed more by where we sit in the world and miss some of the connections to Africa, Latin America and Asia, where a lot of our products come from," he says.

All this perhaps makes the case for a fair trade system in our own backyard even more poignant. As part of a long-term initiative, Coates says Oxfam is working with farmers and producers in Samoa, Tonga, Vanuatu, East Timor and Papua New Guinea to do just that.

The non-profit organisation is already seeing the benefits of its efforts in East Timor where it's working with Movimento Cooperativo Economico-Agricola (MCE-A) to help its coffee farmers enter the fair trade market. MCE-A has 34 cooperatives with 4200 farmers. In its work with the Ulmera Cooperative, it supports 50 coffee farmers in accessing information on market prices and on processing their Arabica coffee beans beyond the stage of being freshly picked from the tree. By cutting out another step in the supply chain, this has increased returns from 15 cents to \$1.30 per kilogram. The extra income has allowed families to become financially self-sufficient, ensuring people can feed themselves even when times are hard.

FANZ, too, is busy working on setting up Fairtrade in the Pacific. Knapp says the organisation has always had a responsibility to support producer organisations in Asia and the Pacific region.

"Consumers in Australia and New Zealand are keen to support Fairtrade if it comes from the other side of world, but people have a much closer affinity with countries in the local region."

When imitation doesn't flatter

The likes of Cadbury and Whittakers supporting Fairtrade has certainly helped the movement gain traction and mindshare with Kiwi shoppers. But its growing popularity has also seen an increase in the number of products making non-accredited 'fair trade' claims.

The problem, Coates says, is these brands don't have the independent monitoring and verification that gives shoppers the confidence to say that they're not just greenwashing. He advises consumers to look for credible labels "to make sure it's real and not just company propaganda".

By the same token, the launch of one Fairtrade product by a company shouldn't be confused as a blanket company value statement. "You need to remember that a Fairtrade label means the product is Fairtrade, but it doesn't endorse the company," advises Coates.

A bittersweet reality

With Fairtrade supporting approximately 1.5 million workers and farmers in 63 countries — and that number only growing — the system is facing huge challenges as it seeks to stay on top of its auditing and accreditation game. It was left with egg on its face in 2010 when an undercover BBC reporter discovered child labour was being used by a Fairtrade certified cocoa dealer in West Africa. And earlier this year, Bloomberg News courted controversy when it reported child labour was being used in the supply of organic and Fairtrade cotton to lingerie retailer Victoria's Secret.

"No certification system is ever perfect," admits Knapp.

"We do the audits and the checks against the standards and if something comes to light or there's alleged cases of the standards not being adhered to — particularly extreme problems like child labour



1.25 million

the number of farmers and workers worldwide in the Fairtrade system. Women make up over a quarter of them.



Above: IAG team members on the rooftop of the NZ Centre were proud to show off their commitment to fair trade during Fair Trade Fortnight 2011.

Coffee Breakers

Peta Fraser, sustainability advisor at IAG.

IAG is a Fairtrade workplace and in past we've run Fairtrade Fortnight-aligned initiatives. This is the first time we'll be promoting Coffee Break nationally across our State and NZI brands. We'll be reaching out to over 2500 staff through our intranet and our sustainability champions who will run the local events.

It's important to evolve what we're doing internally but also to partner with organisations like Oxfam so we can advance our thinking and connect people to broader issues. Joining local action with collective action on global change demonstrates how as a global community we're interconnected, and that's a powerful thing for us to show. It gets people to think outside the box.

– we'll always react to that very quickly, removing the certification if necessary."

Making our mark

New Zealand may be doing well, but there's still plenty of room for trailblazing. UK supermarket chain Sainsbury's, who in 2007 announced it would convert its own label coffee, tea and drinking chocolate to Fairtrade, is a prime example. It's aiming to double its Fairtrade sales by 2015, reaching the £500 million mark – a whopping NZ\$953 million.

Supermarkets like Sainsbury's are "doing their maths" and "vying to be the best on Fairtrade," Coates says, adding that New Zealand is perfectly poised for a supermarket to take the lead, differentiating itself by becoming a "Fairtrade champion" in much the same way Sainsbury's has.

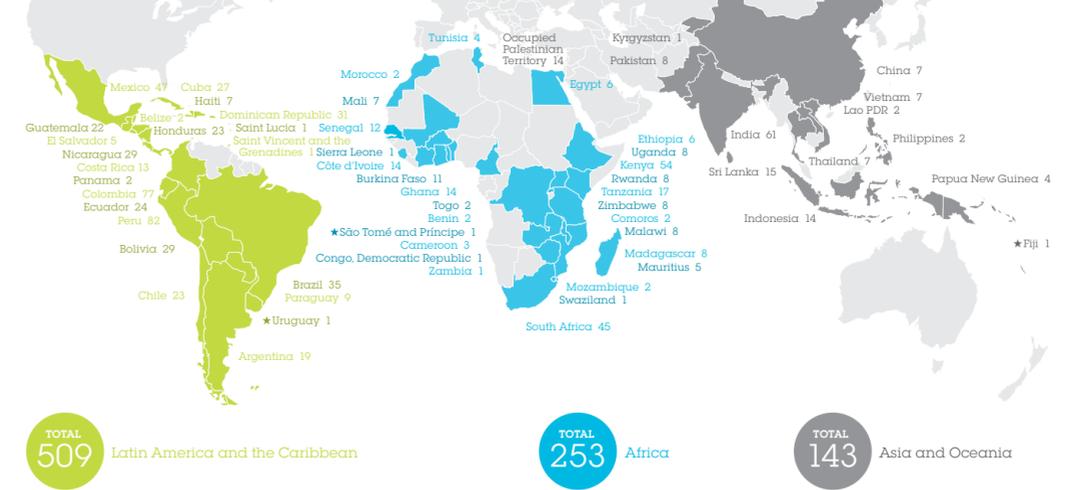
Become a Coffee Breaker

Sign up to host a Coffee Break any time during Fair Trade Fortnight, 5-20 May 2012 and Oxfam will send you a pack full of Fairtrade Certified™ goods including Caffe L'affare coffee, Kokako drinking chocolate, Scarborough Fair tea and Whittaker's chocolate. They'll also provide you with great materials to help you prepare and promote your Coffee Break and a range of tips and ideas on how to make fundraising at your Coffee Break easy, fun and rewarding. oxfam.org.nz

Fairtrade history

While the Fairtrade labelling scheme is a more recent initiative, fair trade as a concept has been around for over 60 years. Its roots trace back to the late 1940s when an American group known as Self Help Crafts purchased artisan needlework from Puerto Rico. It wasn't until 1997 that a number of separate labelling organisations banded to form Fairtrade Labelling Organisations International (FLO). In 2004 the organisation split in two. FLO International became responsible for setting the standards and providing producer business support, and FLO-CERT took on the role of third party inspector and certifier of producer organisations and auditor of traders. At about the same time, WFTO developed its monitoring system for fair trade organisations. New Zealand-based organisation Trade Aid is a member. With the help of Oxfam and other organisations, in 2009 FANZ made its debut as a member of FLO International.

Fairtrade producer organisations worldwide 2010



Produce: bananas Cooperative: El Guabo, Ecuador Supplies to: All Good Bananas, New Zealand

Anibal Cabrera has been a member of El Guabo Co-operative of 450 small-scale banana producers since 2003.

Anibal has lived on his farm since he was six years old and helped his father Luis work the land.

In the early 1990s, Anibal heard about the El Guabo banana co-operative. Behind his father's back, he decided to learn all he could about growing and processing bananas. He went on to join the El Guabo cooperative and has been a social member, treasurer and he is now the secretary of the group.

"Joining the cooperative has meant a lot to me economically because I was in a very poor economic situation. Now we have a level of income that is a lot more stable throughout the year for our families and workers. When I started selling bananas to El Guabo, I only had 10 boxes of bananas, now I have a much larger volume."

Thanks to the money received from selling Fairtrade bananas, Anibal Cabrera's daughter Noemi is about to do what no one else in his family has - go to university. "Thanks to Fairtrade my daughter has a high level of education. This is what all the farmers at El Guabo hope for." All Good bananas are the only Fairtrade certified bananas available in New Zealand.

Anibal's story can be found at allgoodbananas.co.nz

Fairtrade grower:
Anibal
Fernando
Cabrera Ochoa

