



FAIRTRADE  
BELGIUM

# EU CAP network workshop

**How Fairtrade  
adds to market  
transparency**

10/22/2022

# “ TRADE NOT AID

The best remedy against  
poverty is to empower people  
to earn a decent living



# Because trade is not fair

Most farmers who produce our daily food live in poverty



First price bananas are sold **~1€/kg** with heavy hidden human & environmental cost

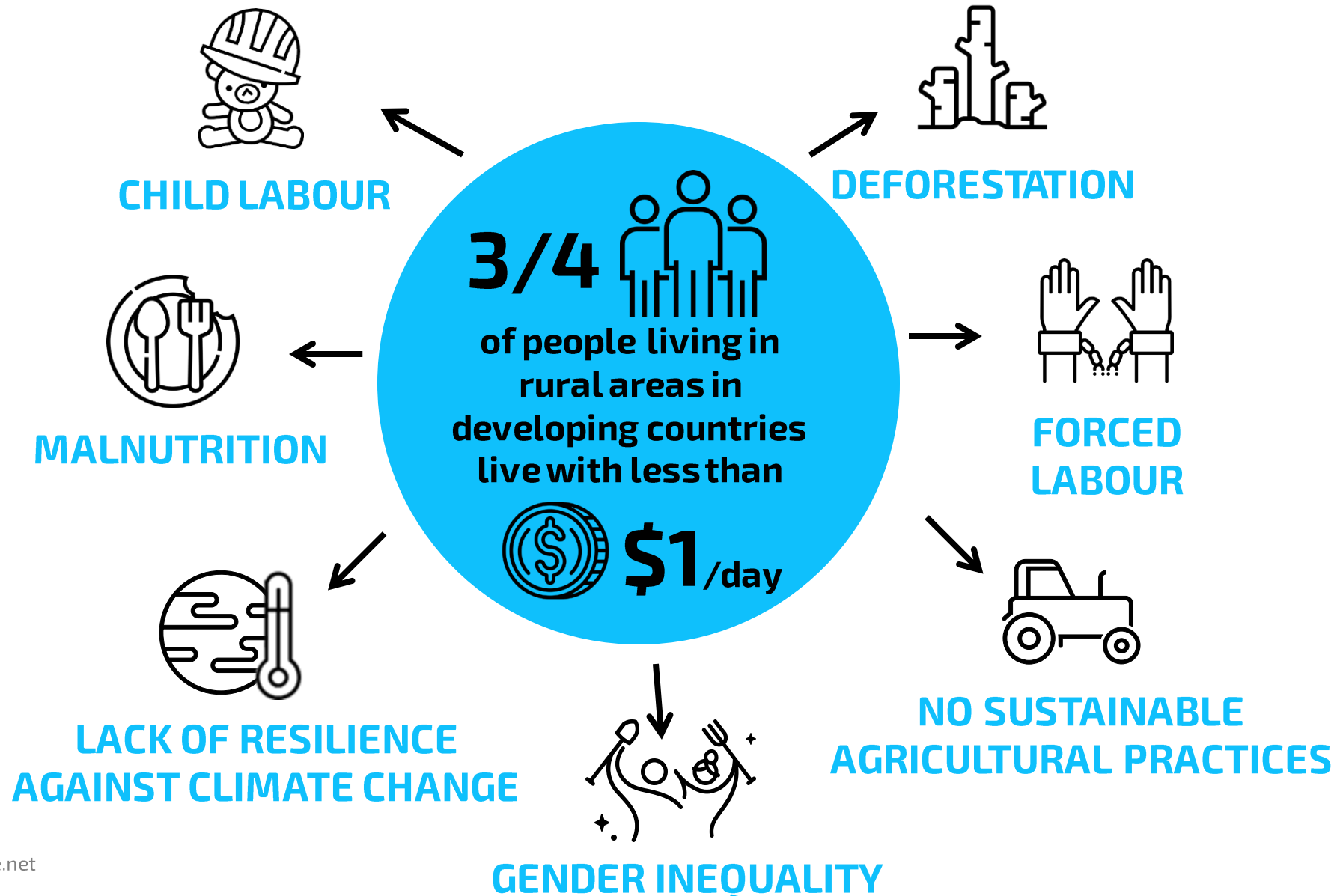


On average a cocoa producer in Ivory Coast earns per day **67cts**

25mio coffee farmers live in poverty whilst they receive only **1%** of the price of a cup of coffee



# Poverty is the root cause of most sustainability issues



# This is the reason why Fairtrade stand for



## TRADE NOT AID

The best remedy against poverty is to empower people to earn a decent living

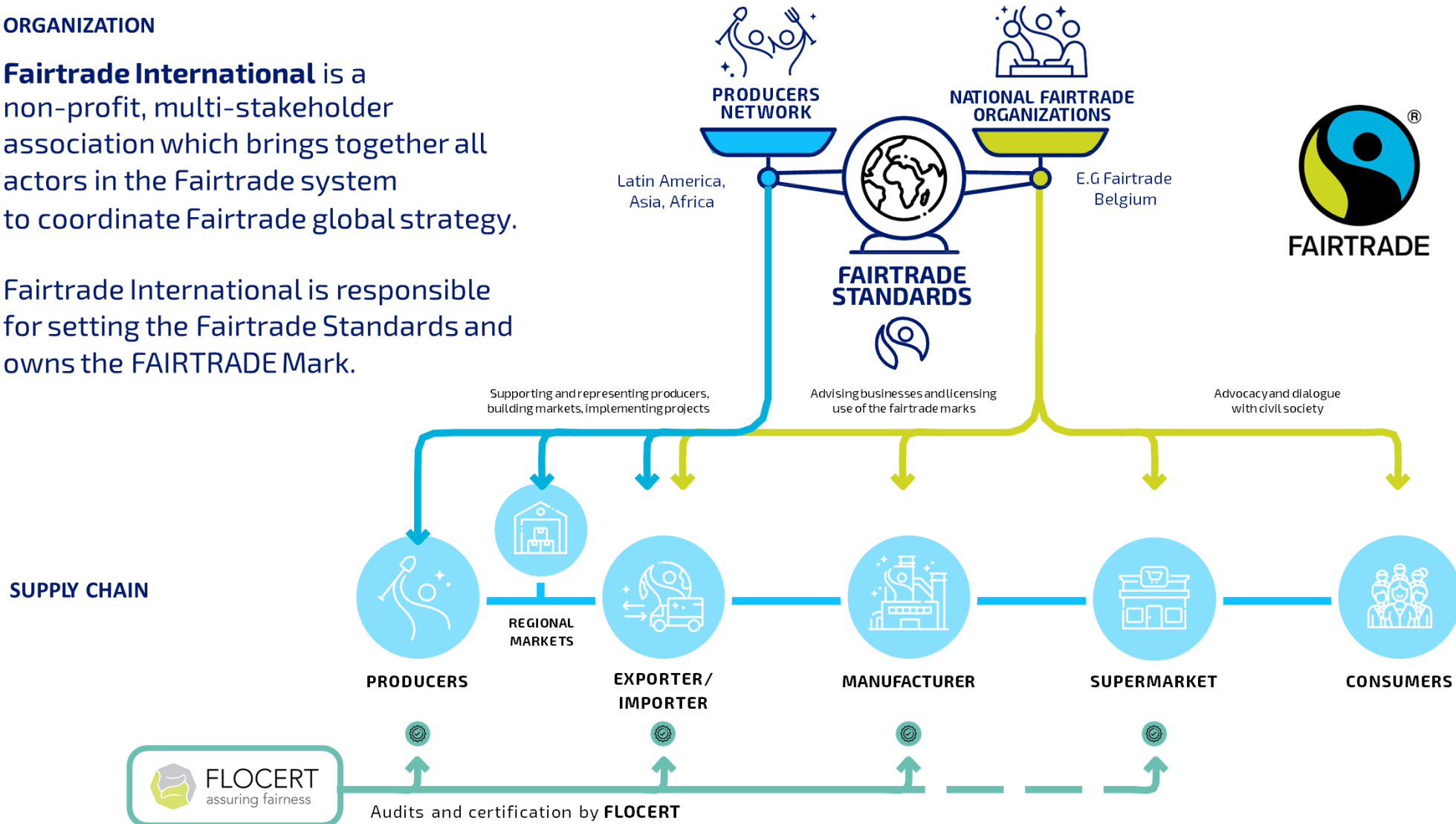


# This is how the Fairtrade system operates

## ORGANIZATION

**Fairtrade International** is a non-profit, multi-stakeholder association which brings together all actors in the Fairtrade system to coordinate Fairtrade global strategy.

Fairtrade International is responsible for setting the Fairtrade Standards and owns the FAIRTRADE Mark.



## SUPPLY CHAIN

# Fairtrade principles



## CO-OWNERSHIP

**50%**  
farmers

**50%**  
distributing  
markets



## STANDARDS

Products and actors follow strict standards: for the planet, people & prosperity



## MINIMUM PRICE

A safety net when market prices crash



## COOPERATIVES

Small-scale farms unite to gain market advantages



## DEMOCRACY

Democracy elected representatives & the cooperative's investments are decided collectively



## EMPOWERMENT

Farmers decide how to best invest the premium & contribute to shaping the fairtrade system of tomorrow



## FIXED PREMIUM

The highest & non-negotiable development premium. Used by cooperatives to invest in sustainable practices and their community

# Doing the basics well

Along the entire supply chain, all Fairtrade actors follow strict social, environmental & economic standards





# Fairtrade certification

**Approach:** we offer 2 ways of certification (depending on the recipe)

## ATCB

All (ingredients) That Can Be  
Fairtrade certified must be  
= the certification of an end product

- *100% Fairtrade ingredients are certified*
- *Total Fairtrade ingredients must be min. 20% of finished product recipe*



*The label without the arrow can be used only when the product is physically traceable*

## FSI

Fairtrade Sourced Ingredient  
= the certification of a commodity

- *100% of the mentioned raw material must be Fairtrade certified*
- *Long term commitment to volume purchasing*



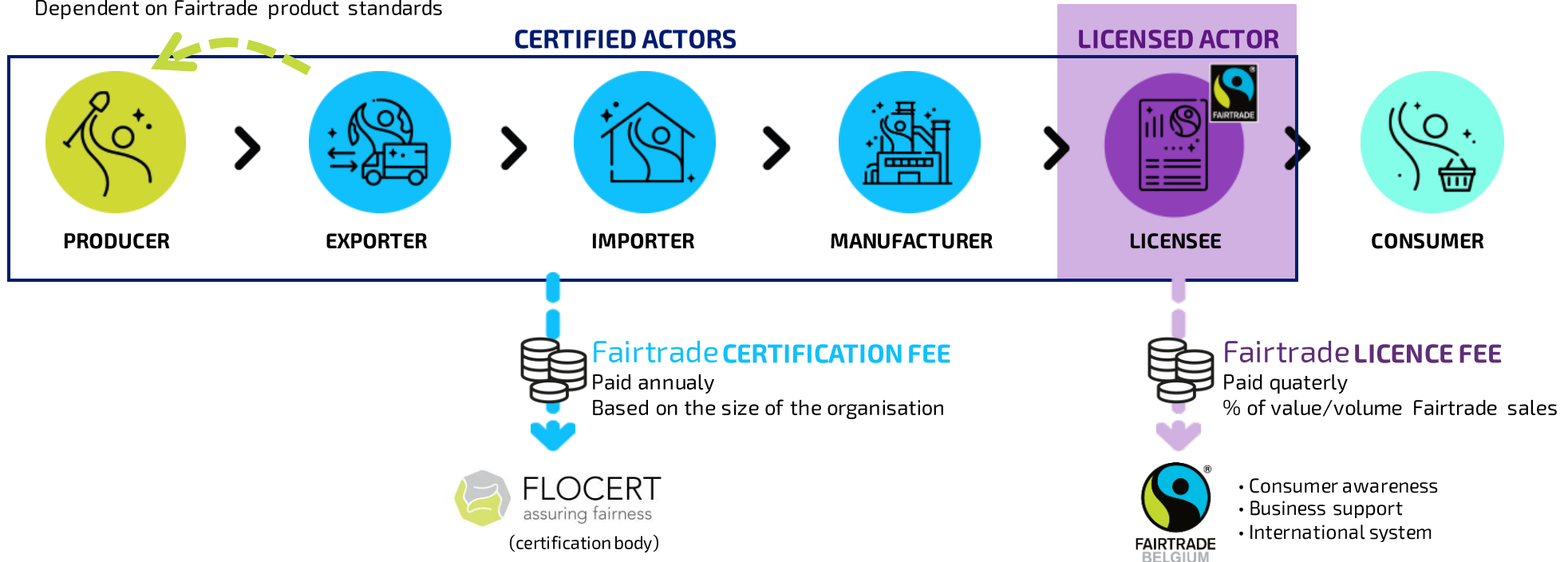
# The financial flows

You are considering to work with Fairtrade > Congratulations you are certified! > Let's show your customers > Let's develop bespoke projects



## Fairtrade MINIMUM PRICE & PREMIUM

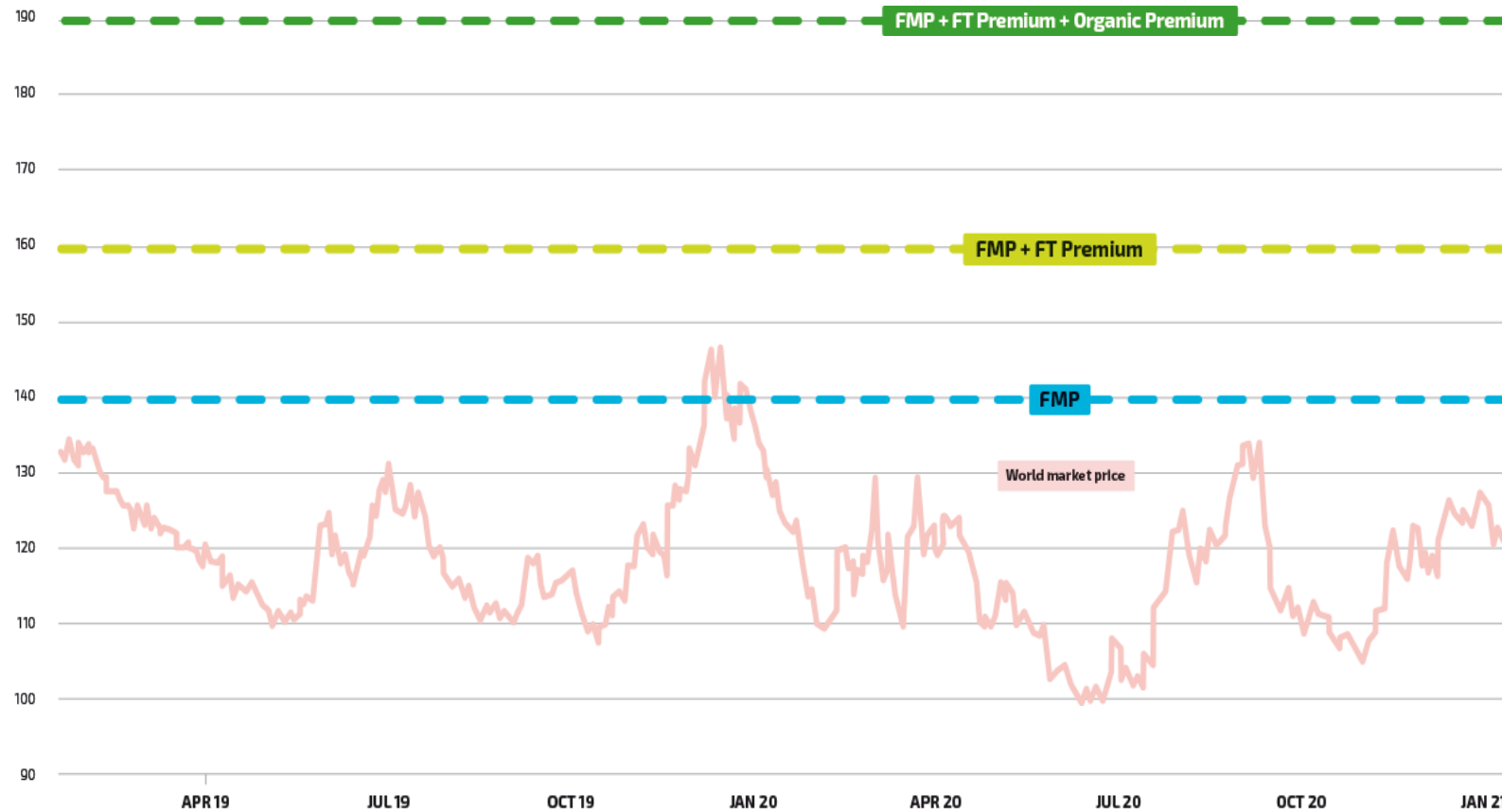
Paid at each transaction  
Dependent on Fairtrade product standards



Annual audits for certification & License contract for the use of the label

# Addressing the question of price: Illustration

Earning enough so that they can cover their families needs and invest in a sustainable future



**Living income:**  
working together towards living income via additional parameters



**Organic price:**  
Price incentive towards organic agriculture

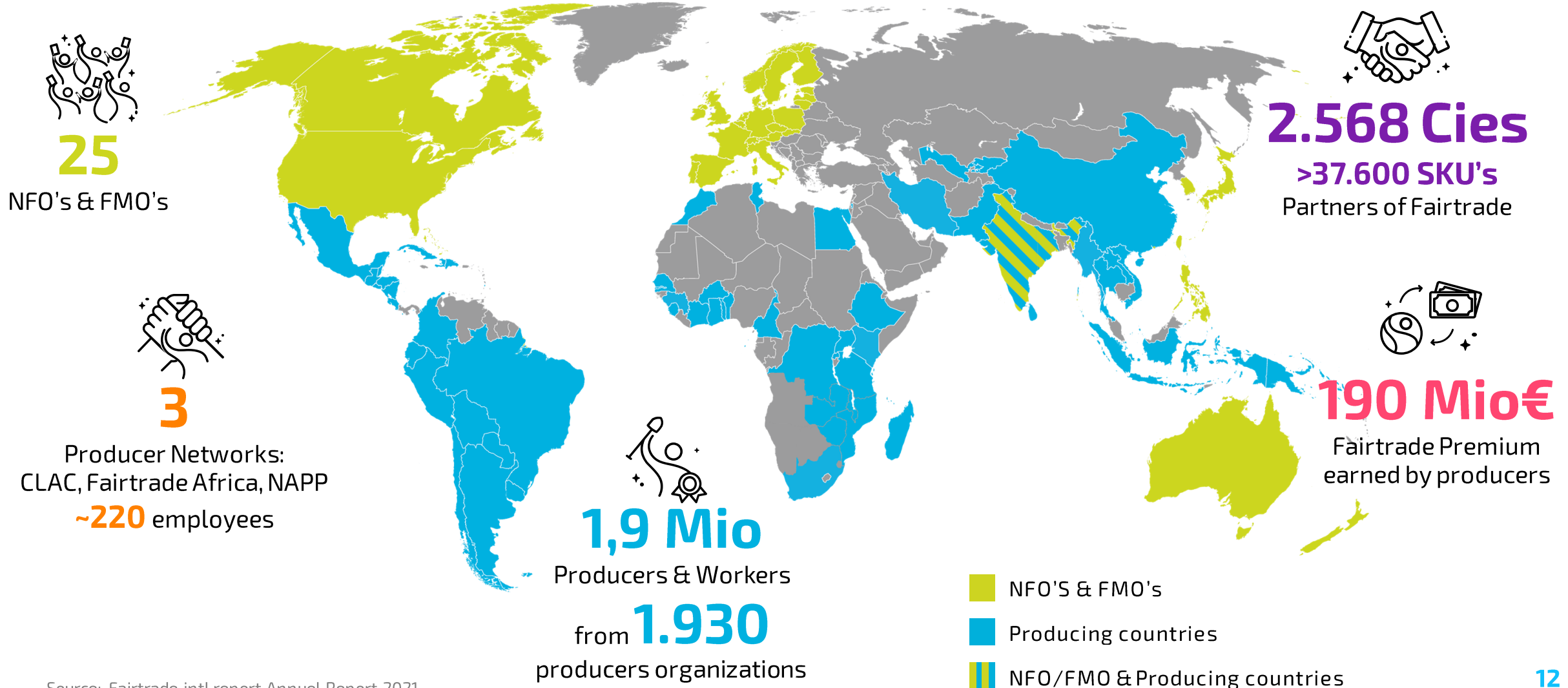


**Premium:**  
For investments in production and communities



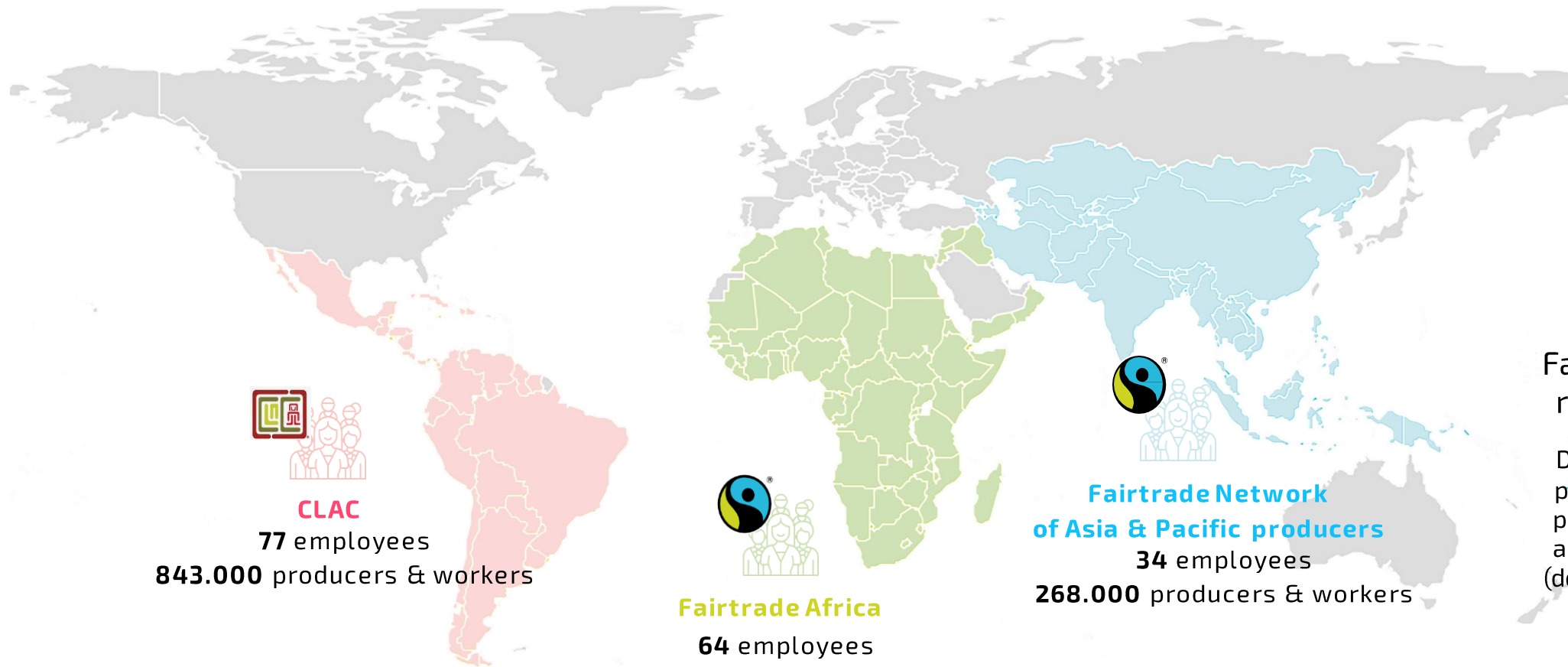
**FMP:**  
A safety net when prices drop

# Fairtrade is growing worldwide



# Thanks to Producer Networks

They coordinate and provide support to producers on the field to develop capacity by strengthening producer organizations, and helping them understand, apply and respect Fairtrade Standards.



**€179**

Million

Fairtrade premium received in 2020

Dedicated to invest in projects benefiting to producers' businesses and their communities (democratically decided and managed).

# A strong support for producers & workers

## ➤ Producers becoming professional business partners



### Thanks to several services and trainings :

- Support in becoming certified and staying certified
- International market access
- Adaptation to climate change
- Management & governance
- Farmers outreach
- Community development (gender, child rights, etc.)

### Ability to demonstrate impact:

- Storytelling from producers
- Premium use
- Specific programs on key thematics







## ➤ Workers gaining in dignity and autonomy



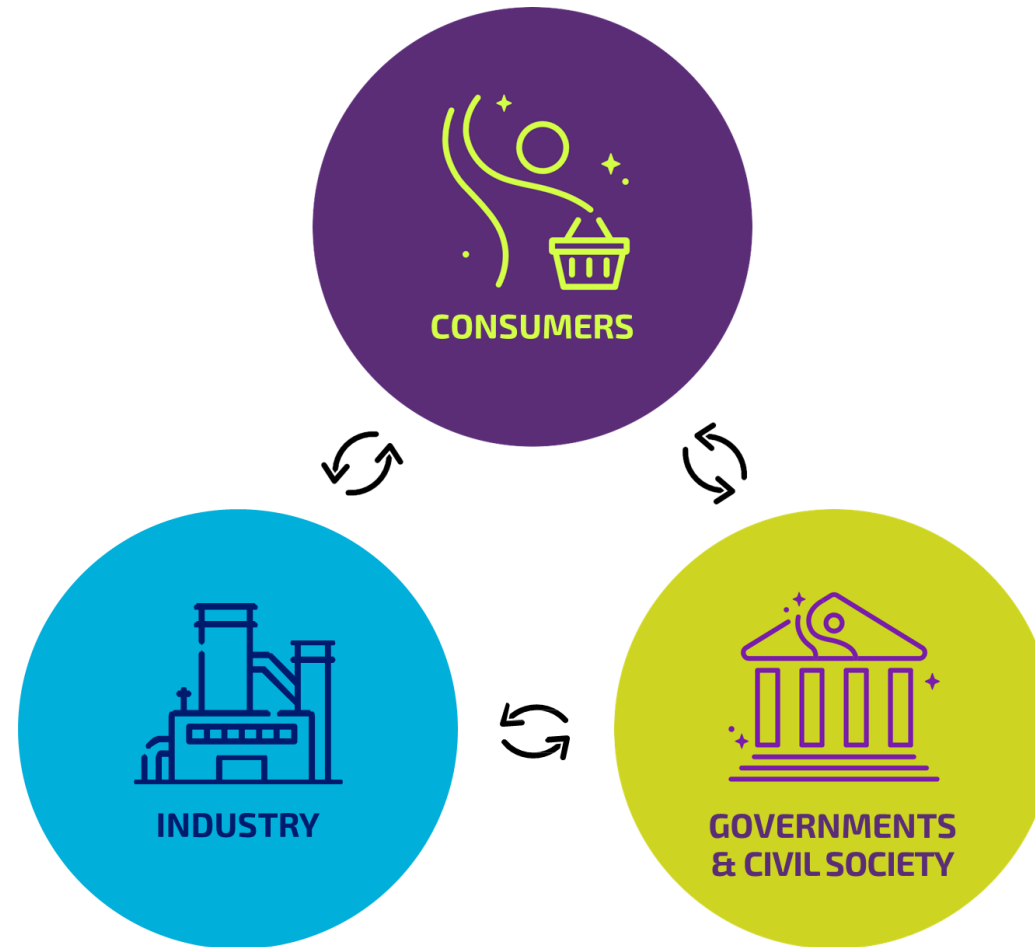
### Thanks to 3 key principles:

- **Management of the Fairtrade premium** thanks to a Premium Committee incl. workers representatives
- **Freedom of association and collective bargaining** : workers have the right to join an independent union
- **Working conditions** equitable for all workers incl. salary, health and safety measures.

# Tackling key themes through field work

Key thematic areas	Ill. of programs & projects
 Living income	→ <i>Living Income projects</i>
 Living wage & workers rights	→ <i>Living Wage projects</i>
 Climate change	→ <i>Climate resilient &amp; carbon projects, Bananas Sustainability Programme</i>
 Gender equality	→ <i>Women Schools of Leadership</i>
 Child protection & youth inclusion	→ <i>Youth inclusive CLMRS in West Africa</i>
 HREDD	→ <i>Risk assessment and mitigation projects</i>

# Building together a virtuous cycle





# Consumers reached via several channels



- **Press coverage**  
avg. yearly reach of

**1.6** mio

- **Civil society movement**  
thanks to Fair Trade Towns



- **On the workplace**  
thanks to Fairtrade @work

**> 100**  
companies

- **Social media**  
avg. yearly reach of



**10** mio



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# Thanks!

**Any questions?**



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