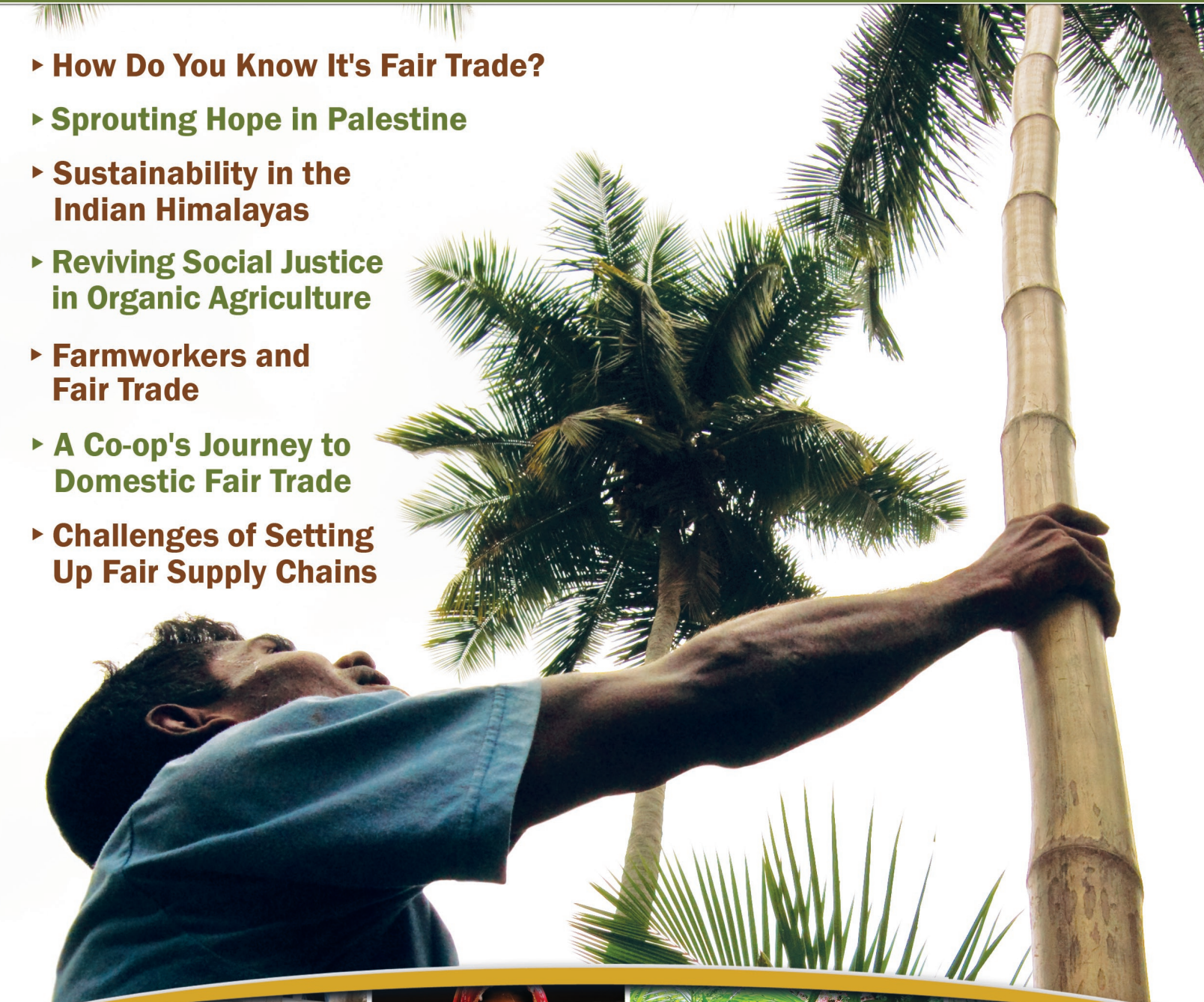


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## ABOUT FAIR WORLD PROJECT

### 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.

## LETTER FROM THE DIRECTOR



Fair World Project was launched by the Organic Consumers Association (OCA) to promote fair trade in commerce, especially in organic production systems, and to protect the term “fair trade” from dilution and misuse for mere PR purposes, as conscious consumers expand the market for fairly-traded products.

What do consumers expect when we pick up a bottle of iced tea, drink a cup of coffee, eat a chocolate bar, use a bar of soap or buy a handicraft that claims to be “fair trade?” What is our money really doing? With new fair trade certifiers joining the movement, seasoned certifiers enabling unjustified fair trade claims and “fairwashing” practices becoming common, we intend to discuss and dissect:

- Fair trade criteria, including fair prices, wages and working conditions, and why they are necessary to uphold versus “Free Trade.”
- Why bringing fair trade criteria home to support farmers and farmworkers in North America and Europe is necessary.
- Why “organic” does not mean “fair trade.”
- Why transparent and rigorous third-party certification of fair trade claims that takes into account the local context is necessary.
- Various fair trade standards that are appearing in the market, considering in particular their certification approach, and their control of truth in fair trade advertising/labeling, or lack thereof.
- Examples of amazing mission-driven fair trade companies and projects.
- “Fairwashing” practices by prominent brands.

We will work through these and other complex issues with the goal of helping consumers, business owners, employees and activists make informed decisions about where and on what to spend their money and resources – to build a better and more just world.

FWP provides a space and forum at our Web site where we can discuss issues within the fair trade movement, ask tough questions and share information, so we as consumers can make educated purchasing decisions. We will celebrate corporations that are adopting fair trade into their business models, but at the same time hold “fairwashers” accountable and insist on keeping fair trade’s integrity.

We will make sure fair trade certifiers and membership organizations maintain high standards to keep fair trade meaningful, not just in the wording of their standards but also in their inspection and certification processes. We will pressure our schools, employers and other institutions to adopt fair trade purchasing practices with regard to food and other consumer products. We will confront corporations, especially those already dealing in certified organic products, and government agencies everywhere, and to compel them to implement fair trade practices in their supply chains.

We look forward to a day when all trade is fair.

Sincerely,

*Dana Geffner*

Dana Geffner  
Executive Director

## CONTACT US

For more Information on Fair World Project please visit [www.fairworldproject.org](http://www.fairworldproject.org) or contact us at:

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All of the images on our cover  
were taken by the following:

Jane Mintz  
Gero Leson  
Katie Schuler  
Dana Geffner

## FAIR TRADE TIMELINE

Contributed by the Fair Trade Resource Network ([www.ftrn.org](http://www.ftrn.org))

**1946** Edna Ruth Byler imports needlecrafts from low-income women in Puerto Rico, and displaced 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 (IFTA), now WFTO, is established by fair trade pioneers as the first global fair trade network

**1994** Fair Trade Federation is formed as the first network of fair trade organizations in North America

**1997** Fairtrade Labeling Organization (FLO) is formed

**1999** TransFair USA begins certifying fair trade coffee using the TransFair USA label

**2002** FLO launches the

international "FairTrade" certification mark

**2004** Producers form national and regional fair trade associations across Asia, Latin America and Africa

**2006** The Institute for Marketecology (IMO) begins their "Fair for Life" certification program

**2007** Fair trade retail sales top \$1 billion in the U.S. and \$2.5 billion worldwide

**2010** Organic Consumers Association (OCA) launches Fair World Project, the first fair trade consumer organization, to promote and protect the integrity of the fair trade movement

## CONTRIBUTORS IN THIS ISSUE



**Nasser Abufarha, PhD** is the founder and Director of Canaan Fair Trade Company, based in Jenin, Palestine. Abufarha has a PhD in Cultural Anthropology and International Development from the University

of Wisconsin - Madison. He is the author of *The Making of a Human Bomb*, published by Duke University Press, and numerous articles on the subjects of development, landscape and political violence.



**Rashmi Bharti** is the co founder of the voluntary organization Avani and is based in the Himalayas in India. She has been

working with issues related to rural development for the past 15 years.



**David Bronner** is a ne'er-do-well scion of the notorious Dr. Bronner's Magic Soaps insane asylum. When not frothing incoherently at the mouth, he babbles about business as a catalyst for

positive social and environmental change. Best to run away quickly if you notice him anywhere around.



**Jason Freeman** founded Biohemp Environmental Technologies and in late 1999 Biohemp became the first company in North America to bring

to market a line of certified organic hempseed food. After selling Biohemp in 2001, Jason founded and became General Manager of Farmer Direct Co-operative Ltd. FDC is a farmer owned business that provides the world with ethically grown and traded food.

**José Manuel Guzmán** is a Lead Organizer with el Comité de Apoyo a los Trabajadores Agrícolas (CATA). Mr. Guzman is a former agricultural worker from Moroleon, Guanajuato, Mexico who worked as a mushroom harvester in Kennett Square, Pennsylvania beginning in 1978 and was one of the leaders in the Kaolin Mushroom Worker strike in April of 1993. Trained in the Popular Education technique, he was hired by CATA in 1994 as an organizer and educator.

**Additional Contributors:** Sue Kastensen and Cosmic Egg Studios

**Elizabeth Henderson**

is an organic vegetable farmer in western New York for over 30 years, a boardmember of NOFA-NY, and author of *Sharing the Harvest: A Citizen's Guide to Community Supported Agriculture* (Chelsea Green, 2007)



**Gero Leson**

coordinated the conversion of Dr. Bronner's raw material supply to socially responsible and environmentally sustainable sources. He set up certified "organic" and "fair trade" farmer groups and oil mills in Sri Lanka and Ghana. His MS in physics and doctorate in environmental science and engineering has helped him find solutions to technical, environmental, and economic problems.

**Vivien Sansour**

is the Media & Promotions Manager for Canaan Fair Trade, based in Jenin, Palestine. As a life style writer and photographer, she is capturing the stories of the farmers of the Palestine Fair Trade Association for the wider world. Her interest in agricultural and cultural identity has led her to work with farmers in South and Central America, as well as her native country of Palestine.



# Reference Guide to Fair Trade Certifiers and Membership Organizations

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

However, there is a crucial difference between fair trade certification and membership in a fair trade organization:

- **Certification** – a third-party certifier audits the supply chains of specific products from point-of-origin to point-of-sale against fair trade criteria. Depending on the certifier, they may certify only a specific product or an entire organization and its products.
- **Membership** – the organization evaluates members for their full commitment to fair trade principles and accepts only “100%” fair trade entities. They provide a screening process only, with no “on the ground” audit.

Certification	 <p>FAIRTRADE Fair Labeling Organization <a href="http://www.fairtrade.net">www.fairtrade.net</a></p>	 <p>IMO <a href="http://www.imo.ch">www.imo.ch</a></p>	 <p>FAIR TRADE CERTIFIED TransFair USA <a href="http://www.transfairusa.org">www.transfairusa.org</a></p>	 <p>Agricultural Justice Project AJP <a href="http://www.agriculturaljusticeproject.org">www.agriculturaljusticeproject.org</a></p>	 <p>FAIR TRADE ECOCERT EcoCert <a href="http://www.ecocert.org">www.ecocert.org</a></p>
Membership Organizations	 <p>WORLD FAIR TRADE ORGANIZATION WFTO <a href="http://www.wfto.com">www.wfto.com</a></p>	 <p>FAIR TRADE FEDERATION MEMBER Fair Trade Federation <a href="http://www.fairtradefederation.org">www.fairtradefederation.org</a></p>	 <p>DOMESTIC FAIR TRADE ASSOCIATION DFTA <a href="http://www.dftassociation.org">www.dftassociation.org</a></p>		

\*We acknowledge that other socially responsible systems are available but they do not rise to the Fair Trade level such as the Rainforest Alliance program.

This chart summarizes the logos of relevant certification programs and membership organizations. A product sold by a company that is a member of a fair trade 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 that certified product is itself a dedicated fair trade company.

# How Do You Know It's Really Fair Trade?

## An Overview of Fair Trade Labeling and Validation Programs

By Nasser Abufarha, Managing Director, Canaan Fair Trade, Jenin, Palestine  
Gero Leson, Director of Special Operations, Dr. Bronner's Magic Soaps, Escondido, CA

Consumers who want to buy products made in a "fair trade manner" face a confusing range of fair trade seals and claims on product labels. Educated consumers associate the term "fair trade" with fair prices, wages and working conditions on and in the farms and factories that make a "fair trade" product. But what exactly does a given claim mean? Does it refer to all major processing steps in the value chain or only to individual raw ingredients at the farm gate? Are there governmental regulations, or at least voluntary standards, for fair trade, and who verifies them?

Unlike for certified organic foods, for which the U.S. (under the USDA's National Organic Program) and many other countries have adopted legally enforceable standards, there are no such standards for fair trade products. Consequently, the use of the term "fair trade" on a label is not protected by law and may well be meaningless unless it is supported by a recognized validation system. Responsible manufacturers ensure that their claims of fair trade production are independently verified under a reputable third-party fair trade certification program. Several such programs exist, and their seals increasingly decorate retail products in the North American and EU markets. These programs share certain

fundamental similarities, but they can vary considerably with respect to approach, substance of their requirements, labeling rules and other critical details. This article summarizes key issues in fair trade verification and reviews the strengths and weaknesses of the most common validation systems for fair trade claims.

Membership organizations review an applicant's practices and check trade references as indicators that a company is committed to fair trade criteria along its supply chain. However, they generally do not independently verify fair trade claims on the ground, relying instead on a review process that may give companies who "talk the talk" but don't "walk the walk" a pass. To date these organizations and their members focus on crafts and traditional fair trade commodities, such as coffee, cocoa and others.

Several socially responsible companies have adopted their own brand programs. Their substantive requirements concerning prices paid, content rules, payment of a community development premium and the methods of auditing vary considerably. Self-respecting brands in this category have third-parties conduct regular audits of their supply chains against the program's standards. Their impact is limited to the brand's products.

Ultimately, brand-neutral inspection and certification of products by an independent organization to a credible transparent standard is the most effective way of assuring consumers that what they buy in fact contain fairly produced and traded agricultural materials. In response to growing public concern over exploitative labor and pricing in various commodities, there has recently been a proliferation of such certification programs. Their basic elements and approaches are similar: they cover the prices paid to farmers, working conditions and wages in farm and factory, and contributions to community development. Some certifiers also audit traders and brands along the value chain for their commitment to Fair Trade at home in the West.

The detailed provisions of certification programs can vary considerably, yet ultimately a program's quality and impact depend on its implementation and follow-through, or lack thereof. Rather than compare the requirements on paper of several certification systems, we'll review two with whom we have first-hand project experience and who are vision-driven and commercially relevant but take different approaches in key areas.

FLO, the international Fair Trade Labeling Organization, is the oldest and best-recognized fair trade certifier (see

*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
3 <sup>rd</sup> Party Inspection & Certification	3 <sup>rd</sup> party certifiers field-inspect growing and processing, possibly trading operations and compare performance against a set of FT standards.	Fair Trade Labeling Organization (FLO) and their national initiatives (TrainsFair USA, Canada); IMO's Fair for Life; Ecocert Fair Trade
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)
Brand Programs	Major brands develop in-house FT programs and work with a 3 <sup>rd</sup> party to inspect and certify the company's operations against the standards	Whole Foods (Whole Trade); Rapunzel (Hand in Hand)

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<http://www.fairtrade.net>). FLO emerged out of a network of fair trade NGOs and has pioneered the development of meaningful and verifiable indicators of fair trade practices, thereby making fair trade coffee, cocoa, tea and sugar household names. FLO headquarters in Bonn, Germany develops standards, usually by agricultural commodity. Its independent FLO-Cert affiliate inspects and certifies producers and processors in developing countries against FLO

standards. FLO is represented by country initiatives in many Western countries, including TransFair USA and TransFair Canada, who also inspect traders and importers in the West.

IMO, the Institute for Marketecology, in Weinfelden, Switzerland (see <http://www.imo.ch>) is a well-respected organic and fair trade certifier whose network operates in ninety countries worldwide. IMO is known for the development of meaningful and practical organic certification guidelines

for smallholder groups, the development of organic standards for textiles and sustainable aquaculture, and for the collection of wild organic plant materials. IMO released its “Fair for Life” fair trade program (see <http://www.fairforlife.net>) in 2006 as a more universally applicable fair trade alternative to the FLO system, and has since certified more than fifty fair trade projects, usually including several participants along the supply chain of various commodities, such as coffee, fruits

## Comparing Approaches and Key Provisions of FLO and IMO Standards

Control Point	Issue / Rationale	FLO	IMO
Type of Producer	Identifies marginalized groups and appoints them as primary actors or beneficiaries of fair trade	Trade between growers and buyers virtually limited to smallholder co-ops and large plantations w. hired labor. Buying from individual farmers, informal groups or wild collectors (contract production) not permitted for almost any crop.	Allows manufacturers to buy from co-ops, individual farmers & informal producer groups. Each scenario is subject to specific requirements, depending on the target beneficiaries. Mission-driven companies may take on key responsibilities where no prior structure exists.
Minimum price and fair trade premium	Ensure that producers & processors can make a profit when market mechanisms fail	FLO sets global or regional floor prices & FT premium involving extensive research and consultation. Premium administered by co-op or workers’ assembly.	Requires and verifies that prices guarantee profitability of farms. Premium use decided upon by committee representing all stakeholders in the local value chain.
Labor laws	Ensure that compensation and working conditions for agricultural and production workers along the supply chain are fair (compensation, no child labor, safe working conditions). Equal pay and treatment for women.	Focus on “hired labor” in plantations, less emphasis on workers in downstream processing, unless conducted by farmers groups.	Focus on “hired labor” in plantations or other hired labor situations, or social standards focused on “producer groups”. Hired Labor focus extends to all key steps in value chain.
Inspection of Value Chain	Ensure that all major players along the value chain act socially responsible rather than just seeking a seal for marketing purposes	Focuses on agricultural producers and processors in developing countries. Limited review of contract processors in country of origin and of product flow and brand holder in country of destination.	Review of all key steps in value chain, including contract processors and brand holders. Contract processors who process only small fractions of FT products are not subject to full standards but must show compliance with labor laws.
Composition of multi-ingredient products and Labeling	Ensure that fair trade products contain relevant amounts of certified materials and consumers understand the label	FLO-certified FT ingredients must be used unless not commercially available; regardless 50% FT content minimum for “whole product” FT certification; 20% for “made with single/some FT ingredients” certification. The latter “fair trade lite” logo looks exactly like and may be placed on the front label exactly like the “whole product” logo: consumer beware.	FT certified ingredients must be used if commercially available, incl. those certified under other programs. Regardless 50% FT content minimum for “whole product” FT certification; 20% for “made with single/some FT ingredients” certification. IMO FT seal shown only on front label of “whole product” FT products; the IMO seal may only appear on the back of “fair trade lite” 20% products.
Cross recognition between essentially equivalent certification programs	Cross recognition between essentially equivalent programs allows committed manufacturers to purchase the maximum amount of FT materials and get credit for it. Also allows addition of country-specific recognized labels w/o need for additional inspections and certification	Currently does not recognize other programs as equivalent, thereby effectively lowering the composition requirements for multi-ingredient products	Recognizes FLO-certified products. Case-by-case evaluation of other certification programs.
Cost of inspection, certification and licensing	Needed to finance certifiers operation. May also serve to promote marketing of FT products.	Charges producer groups, processors and key processors in receiving countries for inspection and certification. Key handler (e.g. coffee roasters or brand company) pay license fee per wholesale price of product for use of FT logo.	Charges for inspection and certification of the key operators in value chain. No licensing fees.

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Organic and fair trade inspection at an olive orchard in Palestine

and vegetable oils, as well as downstream consumer products and companies.

Several key differences between the programs stand out. First, there is great value in the traditional fair trade model of smallholder farmer co-ops, and FLO's stakeholders and standards have focused historically on the self-organization of smallholder farmers and the protection of plantation workers. However, the FLO system has overlooked mission-based companies and commerce-minded NGOs who cooperate with individual farmers or informal farmer groups in establishing fair trade projects to buy and/or process agricultural raw materials and to catalyze agricultural and social development around a project. Such organizations generally provide needed markets and sustainability for a project.

IMO's Fair for Life recognizes the value of such organizations who provide markets, financing of agricultural and processing operations, capital equipment and infrastructure, education and community development in agricultural areas, and empowerment and development of producers' organizations and audits of their performance. In effect, FLO certifies only producer groups and primary processors against fair trade criteria, while downstream just audits the fair trade material flow of key handling

companies in the North without holding them accountable to fair trade principles. IMO's Fair for Life audits the fair trade performance and commitment at all relevant steps in the value chain, from the producer groups on the ground to the ultimate fair trade brands in the West, thus certifying an entire product chain.

Second, FLO still relies on a time-consuming process of setting global or regional minimum prices for individual crops. This approach was driven by globally-traded commodities, such as coffee, that experience periodic global oversupplies and price crashes. Yet, the process involves much research and stakeholder consultation within FLO and holds up the adoption of standards for new crops and products, thus slowing down expansion of the universe of fair trade certifiable commodities. In contrast, IMO's Fair for Life program takes a holistic local approach to a given producer project that, unlike FLO, is flexible in dealing with any mix of products and commodities produced. However, like FLO, IMO stipulates that prices paid to producers at a minimum cover the costs of production and provide a reasonable profit to farmers and processors. IMO includes a cost, price and wage review of a specific project in its local context in their annual inspections, conducting extensive interviews with farmers, farm workers and factory

workers. IMO's approach in this regard is more efficient and better reflects reality.

Both the FLO and IMO standards are currently undergoing revision following extensive public input. Their provisions are becoming more compatible and harmonized, notably through increased flexibility in contract production and price setting in FLO's program. In fact, FLO recently adopted a quick entry system for new crops and projects that may fall under existing FLO product standards: the project can simply set the price at market price plus a fair trade premium and work out their own floor pricing, where FLO subsequently reviews, like the IMO approach, local market conditions to confirm they are fair. This suggests that we are moving, as happened with organic agriculture and standards, towards more harmonized fair trade standards, as real-world experience and lessons of what does and doesn't serve producers filter back to these two excellent fair trade organizations. Ultimately, with enough certification experience and standards settling on the same best practices, we should see convergence on a single enforceable standard for fair trade, much as happened with the USDA National Organic Program for organics. This goal is the best way to ensure consumers that the products they buy are truly fair trade. ■



# Fair Trade Sprouting Hope in Palestine

By Vivien Sansour



Canaan Fair Trade is certified by IMO's Fair for Life and FLO/TransFair USA

There is nothing better than a cup of black tea brewed with Palestinian wild sage for an afternoon break! Sipping tea with Abu Saleh under the shade of his olive tree, one can understand in a deep way what it means to be a fair trade farmer and the significance of being a mindful consumer. A member of the Palestine Fair Trade Association (PFTA), Abu Saleh is one of over 1,000 farmers who produce organic certified olive oil for Canaan Fair Trade. His co-op in the village of Al 'Araqa is one of forty-nine co-ops which comprise the PFTA and work closely with Canaan Fair Trade to find markets for their products. Through this partnership between socially responsible organic olive growers and a socially responsible business represented in Canaan Fair Trade (and downstream partners in Europe and the U.S.), as well as a strong base of conscientious consumers, farmers like Abu Saleh are finding hope in the midst of harsh economic and political realities. Um Hamza is a Canaan Fair Trade producer and a single mother who struggled financially. She says that "with the situation being so hard, I almost lost hope in ever being able to market my olive oil. When Canaan Fair Trade approached me, I asked my brother to help me buy more land, and I planted two acres of olive trees. Now I feel at ease, and I know that every year someone will come and buy all my crops, and that gives me so much emotional and economic stability."

The role that companies like Dr. Bronner's Magic Soaps play in the lives of people like Um Hamza and Abu Saleh is not a small one. As Canaan Fair Trade's largest single buyer, Dr. Bronner's sources more than 95% of their olive oil from Palestinian fair trade farmers through Canaan Fair Trade. With Canaan Fair Trade's exports averaging 400

metric tons of olive oil per year at a value of \$4 million per year, hope for a viable local Palestinian economy is sprouting.

Canaan Fair Trade's notable success in specialty food stores, local co-ops and organic shops (such as Whole Foods) has also had a tremendous cross-cultural impact, since for Palestinian farmers the fair trade movement has given them more than just the obvious financial gains. At the same time that Canaan Fair Trade has doubled the price of their olive oil, changing the lives of over a thousand families, it has also built new bridges between different communities that have been separated by political conflicts and cultural stereotypes. As members of the global green movement, Palestinian farmers

**"With the situation being so hard, I almost lost hope in ever being able to market my olive oil."**

are finding their place again in the world, not as "unknown" and marginalized people but as active members of a worldwide network of sustainable development practitioners that is building relationships between people working towards an environmentally sound, economically viable and socially just world. Fair Trade in Palestine in particular has had an immense impact on how people view the West. While most Palestinians are restricted from traveling, their spirits have reached beyond their olive groves into esteemed grocery stores across Europe and the United States and through people who come to visit them.

This is why Abu Saleh is energized by the increased local awareness of organic farming and is happy that internationals' interest in Palestinian olive oil, and most importantly the Palestinian farmer, is feeding his natural tendency to be an open person.

"My work in olive oil has introduced me to so many people from around the world, and I have learned new things. For example, before a man from Germany visited me, I did not know that growing potatoes close to my olive trees is not a good idea. Now I know a new fact, and with each visitor I have a new idea." Looking at his daughters as he speaks, Abu Saleh says, "There is a difference between an awake person and a person who is closed. An awake person can learn from other people and other cultures, and he can live in dignity because he can work and survive." But Abu Saleh's appreciation for openness and cultural exchange does not stop at the thrill of receiving guests. He hopes that one day he can visit others around the world the same way people freely come to visit him, because he recognizes that there are so many people like him around the world who are left unknown. He continues, "Before we started selling our olive oil, I felt that the outside world used to think Palestine is a land without a people, but now when they eat my oil they know that we are here."

Even as global events and political realities are creating false separations between people, the fair trade and green movements are bringing people back together by highlighting the importance of our environment in preserving our humanity and our connectedness as citizens of one planet. This is why, in a consumer-focused world, which particular bottle of olive oil, cup of coffee or beauty product you buy makes a world of difference, not only in the lives of the producers, but also in the bigger scheme of things where the choice to buy fair trade becomes a decision to learn about someone else somewhere else whom you may have never thought of before.

People like Abu Saleh may not be world travelers, but their work in the fair trade movement and in their lands has given them wisdom to teach us. In the words of Abu Saleh, "We make the world beautiful or ugly depending on how we treat each other and the land we live in." ■



Canaan Fair Trade is certified by IMO "Fair for Life" and Transfair USA, and is a member of the Fair Trade Federation.

# Creating Sustainable Livelihoods in the Indian Himalayas

By Rashmi Bharti

Avani is a voluntary organization that has been working in the Kumaon region of the Indian Himalayas for the past thirteen years. Avani began its journey as the Kumaon chapter of the Barefoot College, Tilonia, Rajasthan in 1997 and was registered as Avani in 1999. The work of Avani has focused on the creation of livelihood opportunities through preservation of traditional craft, dissemination of appropriate technology and farm-based activities.

The context of our work is the fragile Himalayan eco-system, unstable mountain ranges and the inaccessibility of villages from roads, which therefore are out of reach of most government schemes. Our focus is on impoverished rural youth migrating in search of livelihoods to the plains.

The participation of the community, respect for traditional knowledge, conservation and fair trade practices have been the cornerstones of our work. Our main purpose has been to create a choice for rural youth for local employment that allows them to live in their homesteads rather than migrate to the plains for very meager incomes.

Presently, the entire team at Avani is comprised of local people who have grown with the organization and now handle core responsibilities within it. During the course of our work over the past thirteen years, we have taken care to invest in training local human resources who have had the initiative and the desire to learn with or without formal degrees.

Avani works in ninety villages and hamlets, offering different programs that address issues related to rural life. Most of these villages are located from thirty minutes to three hours (walking) from the nearest road. Some of our areas of intervention include:



## Preservation of traditional craft

- Hand-spinning
- Hand-weaving
- Natural dyeing
- Knitting
- Kumkum-making\*

## Dissemination of appropriate technology

- Solar energy (both thermal and photovoltaics)
- Rainwater harvesting
- Wastewater recycling
- Pine needle gasification

## Farm-based activities

- Cultivation of wild silks from eri, muga and oak tussar
- Collection and cultivation of natural dye materials; extraction of dye pigments

## Women's and Children's Health

During the course of our work, we have facilitated the setting up of two rural enterprises

- Hand-made naturally-dyed silk and wool textiles
- Manufacture of Solar Equipment (lanterns, water heaters, driers, etc.)

Both businesses are now self-reliant.

The textile business has now been handed over to a collective of artisans that has been registered as the Kumaon Earthcraft Self-Reliant Cooperative. This cooperative has taken over the entire business. The enterprise supports between 400 to 500 artisans, allowing spinners to earn a supplementary income and providing an alternative livelihood to weavers. The collection and cultivation of dye materials has led to the protection and planting of traditional trees which previously had no economic value.

Our philosophy of work has been to create self-reliance through creativity and honest effort. We believe that any income-generating activity can only be successful if it can generate income on its own and does not continue to rely on outside inputs for long periods of time. Of course, it is essential to have support initially when setting up an activity in a remote rural area where there is no infrastructure and one is rediscovering the wheel at every stage. But as time progresses, we need to build in systems that ensure efficient

\* Kumkum is a traditional recipe made in the hills with turmeric where the fermentation process turns it red, and it is used in religious ceremonies as a red mark on the forehead. This traditional product has been replaced by chemical powder that uses mercury and is carcinogenic. We are reintroducing organic Kumkum into the marketplace.

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# Fair World Project Action Center

## 1. URGE LOCAL MARKETS TO STOCK FAIR TRADE PRODUCTS

There are now dozens of certified fair trade products on the market, ranging from coffee and tea to soap, fresh fruit and wine! Next time you are buying groceries, be sure to let the manager know that you want more fair trade products – and make suggestions. Fair World Project has sample letters, talking points and materials to help you out.

## 2. GO BEHIND THE LABEL AND VOTE WITH YOUR POCKETBOOK

Every time you are in your natural food store, coop or supermarket, you are voting with your pocketbook. Be sure to look for fair trade products and labels, and read the ingredient list to assess which of a product's ingredients are in fact fair trade. Now more than ever, with almost a dozen fair trade labels, it is important to look for fair trade products that truly support farmers and workers. Want to know more about fair trade standards and certification? Visit our website for more information.

## 3. ENCOURAGE YOUR FAVORITE ORGANIC BRANDS TO GO FAIR TRADE

The organic food, apparel and body care market reached \$27 billion dollars in 2009. Unfortunately, very few of the organic products in the marketplace are certified fair trade. In fact, at many organic farms and factories, at home and abroad, workers and farmers are not paid fair wages and prices for their work or harvest. You can change that! Contact your favorite food, body care and apparel companies and tell them that fair trade and organic should go together.

## 4. URGE YOUR CITY, STATE, OR SCHOOL DISTRICT AND OTHER INSTITUTIONS TO PURCHASE ONLY CERTIFIED FAIR TRADE PRODUCTS

Every year, institutions from municipal and state governments to universities, hospitals and school districts spend billions of dollars purchasing commodities and products, ranging from coffee and tea, to uniforms and soap. \$8 billion was spent last year on institutional coffee purchases alone! Put your tax dollars to work and make a real impact in the lives of farmers and workers around the world. Go to [www.fairworldproject.org](http://www.fairworldproject.org) to download form letters you can customize to your local elected officials and decision makers in your community to adopt fair trade purchasing practices.

## 5. LEARN MORE. TAKE ACTION. GET INVOLVED

The Fair World Project website ([www.fairworldproject.org](http://www.fairworldproject.org)) is a fantastic resource for all things fair trade. At the FWP website you can:

- Learn more about fair trade
- Send a letter to your elected officials and local institutions, urging them to support fair trade purchasing policies
- Access useful resources, like letter writing templates and other materials to use in your community
- Spread the word!





functioning of the enterprise. We also need to invest a lot in team building and training of rural youth who have stakes in the area and will strengthen the foundation of a rural enterprise.

At Avani, we have also endeavored to take into account the environmental impact of the introduction of any small scale industry in a rural area. There are issues of energy, water and soil that will impact the area for a long time if the first step is not conscious. We use only clean energy (solar or pine needle gasification) in the production and processing of our textiles. We harvest rainwater that is used for natural dyeing and other activities and is then recycled for irrigation. We use only natural dyes that do not adversely affect the soil. The sustainability of the enterprise has seen a reestablishment of the rural youth's faith in the fact that

opportunities for employment can be created locally. This has led to the donation of land by local residents in four of our villages for the establishment of village centers that house the looms and also coordinate all the other programs in nearby villages. These centers have become the hub of activity in those villages, and we are slowly strengthening the ownership of the artisans in this business. Ninety-eight percent of the participants in this enterprise are women. The program now stands largely on its own and only needs support for expansion or capital investments. All the operating costs of the enterprise are sustained by the enterprise. Wages are determined in consultation with the artisans and are revised every few years. The spinners and knitters work from home, while only the weavers need to go to the

nearest Avani center to do their work. This system fulfills our first condition of not displacing artisans from their homesteads, but rather allowing them to bring work to their homes. It definitely increases our production costs, but it also increases the artisans' quality of life – which, for us, is the bottom line.

Our aim has been to contribute to the Himalayas that we love and to leave the Earth a little more beautiful than we found it. In fact, Avani means "the Earth" in Sanskrit. ■



# — FAIR — — TRADE ?

## Reviving Social Justice in Sustainable and Organic Agriculture

By Elizabeth Henderson

Northeast Organic Farming Association Representative on the Agricultural Justice Project Steering Committee

If you can remember back to the early days of organic agriculture in the 1970s, you may recall its history as a movement with a holistic approach to land and livelihood. The farmers who were attracted to organic practices and their loyal customers agreed that decent prices, fair treatment of workers and animals and care for Mother Earth all went together. Organic food enthusiasts were willing to pay a small premium for organic products to sustain the farms economically. They understood that the prices had to cover the true costs of production, and they trusted their farmers to charge fair prices. That all started to change as larger entities became involved and organic products began to enter the mainstream marketplace. The initial family-scale farms and small, independent processors faced overwhelming competition from an “organic industry” and large-scale farms that converted to organic purely as a marketing decision. The “American Organic Standards” developed by the Organic Trade Association (OTA) did not touch pricing or labor issues, and then the Organic Foods Production Act of 1990, which established the National Organic Program (NOP) under the USDA, followed suit. When commentators criticized the NOP for

leaving out the social component, they responded that it was “not in our purview.”

This departure from the original principles of organic agriculture inspired the creation of what evolved into the Agricultural Justice Project (AJP). Michael Sligh of Rural Advancement Foundation International (RAFI-USA), Richard Mandelbaum of the Farmworker Support Committee (CATA), Marty Mesh of Florida Organic Growers (FOG) and I decided to “go beyond” the NOP definition of organic as a marketing label and develop standards for the fair and just treatment of the people who work in organic and sustainable agriculture. As a small-scale organic farmer, I feel strongly that it is not enough to treat earthworms with respect. For our farms to thrive, we need prices that cover our costs of production, including living wages for ourselves and everyone who works on our farms, plus a surplus to invest in the farm’s future. We need to make agricultural work a respected career with appropriate benefits.

The social justice thrust of AJP has deep roots in the movement for organic agriculture. Sometime in the 1980s, the Northeast Organic Farming Association (NOFA) endorsed the following

principles that can be found in our program manual to this day:

- To encourage non-exploitive treatment of farm workers
- To create conditions for livestock that ensure them a life free of undue stress, pain and/or suffering
- To maximize farmers’ monetary returns and satisfaction from their work
- To maintain the land in a healthy condition for future generations

The early versions of the principles of the International Federation of Organic Agriculture Movements (IFOAM), whose standards formed the basis for most of the organic standards around the world, included these comprehensive statements on social justice (from IFOAM Basic Standards list of Principle Aims):

- To allow everyone involved in organic and sustainable production and processing a quality of life that meets their basic needs and allows an adequate return and satisfaction from their work, including a safe working environment

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- To progress toward an entire production, processing and distribution chain that is both socially just and ecologically responsible.

The most recent version of IFOAM's Principle of Fairness is even more explicit:

"Organic agriculture should build on relationships that ensure fairness with regard to the common environment and life opportunities. Fairness is characterized by equity, respect, justice and stewardship of the shared world, both among people and in their relations to other living beings.

This principle emphasizes that those involved in organic agriculture should conduct human relationships in a manner that ensures fairness at all levels and to all parties – farmers, workers, processors, distributors, traders and consumers.

Organic agriculture should provide everyone involved with a good quality of life and contribute to food sovereignty and reduction of poverty. It aims to produce a sufficient supply of good quality food and other products. This principle insists that animals should be provided with the conditions and opportunities of life that accord with their physiology, natural behavior and well-being.

Natural and environmental resources that are used for production and consumption should be managed in a way that is socially and ecologically just and should be held in trust for future generations. Fairness requires systems of production, distribution and trade that are open and equitable and account for real environmental and social costs." (IFOAM Principles 2005)

### Bringing Fair Trade Home

Since 1999, AJP has been at work elaborating upon these principles. The success of international fair trade, with the steady climb in numbers of people willing

to spend a little more money to support family farms in developing countries, has provided an encouraging model. The AJP standards were developed over four years of meetings with workers, small-scale farmers, fair trade companies and organizations, indigenous peoples, consumers and organic certifiers. Hundreds of people from over sixty countries participated. The standards address the following issues:

- farmer and all food system workers' rights to freedom of association and collective bargaining
- fair wages and benefits for workers
- fair and equitable contracts for farmers and buyers
- fair pricing for farmers
- clear conflict resolution policies for farmers, workers and buyers
- the rights of indigenous peoples
- workplace health and safety
- farmworker housing
- high quality training for farm interns and apprentices
- the rights and protection of children on farms

In August of 2010, AJP posted a revised and expanded version of these standards on our Web site (see <http://www.agriculturaljusticeproject.org>). Four

**"As a small-scale organic farmer, I feel strongly that it is not enough to treat earthworms with respect."**

years of pilot projects, where we tested the draft standards against the reality of actual farms and food businesses, followed by two years of experience with social justice certifying, shaped the revisions. During this time, AJP has also developed the policies that will govern our program, training modules for certifiers and auditors and materials to help farms and businesses comply with

our standards.

In response to the rapidly growing market for socially responsible goods, the AJP steering committee joined with others to found the Domestic Fair Trade Association (DFTA) in 2007. The purpose of the DFTA is to organize food system stakeholders around the issue of justice in North America. It is a collaboration between farmers, farmworkers, food retailers, processors and distributors, non-profits and civil society organizations to bring the principles of international fair trade to bear on the challenges of local and regional food production at home.

The urgency of reuniting the principles of fairness and organic is underlined in the concluding report of the National Organic Action Plan, "From the Margins to the Mainstream – Advancing Organic Agriculture in the U.S." (January, 2010). As Lynn Coody summarized in The Organic Standard June, 2010 issue:

"At their beginning, organic regulations set a high bar for advancing cultural and social values in agricultural production. It is proposed that this foundation be restored by re-dedicating organic practice to an ethical food and agriculture system that honors the values of fairness and basic rights. Fairness includes fair trade, fair pricing (and contracts), fair access to land (and credit) and fair access to quality, organic food and seeds. These

basic rights also encompass the rights of all people to follow their own cultural and traditional knowledge systems and the rights of farmers and farmworkers to have an empowered voice in the continued improvement of an ethical food system. This should apply directly to both domestic and foreign agricultural policies with the recognition of organic agriculture's contributions to local food security and the alleviation of hunger both nationally and internationally." (p. 7) ■

# Manuel Guzmán on Farmworkers and Fair Trade

Interviewed and translated by Richard Mandelbaum, CATA

José Manuel Guzmán is a Lead Organizer with el Comité de Apoyo a los Trabajadores Agrícolas (CATA). Mr. Guzmán is a former agricultural worker from Moroleon, Guanajuato, Mexico, who worked as a mushroom harvester in Kennett Square, Pennsylvania beginning in 1978 and was one of the leaders in the Kaolin Mushroom Worker Strike in April of 1993. Trained in the Popular Education technique, he was hired by CATA in 1994 as an organizer and educator. Mr. Guzmán was trained by the Farmworker Health and Safety Institute (FHSI) as a Pesticide Educator, Handler Educator and Master Trainer for Pesticide Educators. He is certified by the New Jersey Department of Health and Senior Services as an HIV Counselor and currently sits on the Board of Directors of Camden Regional Legal Services in New Jersey. He also represents CATA on the New Jersey Anti-Poverty Network and was recently named to the Board of Directors of FHSI. As an organizer, Mr. Guzmán has educated thousands of farmworkers on environmental health issues and their rights.

## Richard: What is your experience with fair trade?

Manuel: CATA is one of the partners in the Agricultural Justice Project (AJP), an effort to bring fair trade to the United States. I have gotten involved in the last couple of years – in 2009 I interviewed workers during audits on participating farms in Minnesota and Wisconsin. I have also participated in some meetings of the Domestic Fair Trade Association (DFTA) as a representative of CATA. And later this year, I will begin to train organizers from the Farmworker Association of Florida in how to conduct audits and educate workers about their legal rights, also as part of AJP.

## Richard: What in your background and experience do you bring to this work?

Manuel: I worked for fourteen years in the mushroom farms in Pennsylvania and in some fruit orchards in Maryland. My experience is that this work is too



Manuel Guzmán of CATA conducts an interview with a worker on Keewaydin Farms during a 2009 AJP inspection

demanding – it is very heavy work that results in many health and safety problems, both in the work and in the housing. In the mushroom houses, workers have to climb up and down ladders all day. To reach the second floor of mushroom beds, workers walk along wooden planks which are often slippery and not nailed down and sometimes in poor condition. Injuries from falling are common. Employers also do not always inform workers about what chemicals are being sprayed or when, both at the worksite and in the housing. Speaking of the housing, there are also often serious problems with overcrowding and poor conditions. So I am familiar with the problems people are facing, and for CATA I assess the working and living conditions of farmworkers and also train workers using the Popular Education methodology to address the injustices they are facing. All this work translates to the work we are doing in our fair trade project – not only how do you assess what conditions people are working under, but also how do you empower them to play an active role in their relationships with their employers?

## Richard: How can fair trade help farmworkers?

Manuel: If it's done right, fair trade can be a real benefit to everyone involved – the farmer, the worker, the consumer. Everyone involved has to be committed to the idea that everyone has rights –

from the consumer to the farmer to the worker, even to the people selling the product. Related to what I was saying earlier about the pesticides and other chemicals used in the workplace, everyone has a stake in improving that situation. By protecting workers, we are also producing healthier food, organic food that benefits those who buy it and eat it as well. From what I have seen [at AJP], the farmers and organizations involved have a real vision to be leaders – to improve things not only for themselves but for everyone, and to resolve disagreements in a respectful way, knowing that 100% of problems will never be solved, but that we can work together to improve things. For instance, recognizing and respecting workers who have been there for a longer time (seniority), rather than replacing workers as they get older and maybe a bit slower.

## Richard: How do fair wages play into this?

Manuel: Like I said earlier, the work is too demanding and becomes unhealthy. Because farmworkers are not earning a decent pay, they push themselves harder than they should just to make enough to survive. On most farms, workers are only receiving minimum wage and without any benefits. For instance, in the mushroom farms, as well as other types of farms, a lot of people suffer from back problems, even at a young age, because of the need to be extending arms into the mushroom beds and the speed at which the companies require them to work. So, if, instead of this situation, people were earning a decent wage with some benefits and had designated days of rest, they would be in a much better situation.

## Richard: Any last thoughts to share?

Manuel: I see a lot of enthusiasm for this – enthusiasm to advance ourselves, to move forward in a way that is more cooperative and that takes everyone into account. We need to work together to figure out ways to make the program grow. ■

# Our Co-op's Journey to Domestic Fair Trade Certification

By Jason Freeman, General Manager, Farmer Direct Co-operative Ltd.  
<http://www.farmerdirect.coop>



Photo Credit: fairDeal members Belva and Earl Perkin with pets at their farm house in Rouleau, Saskatchewan

About seven years ago, our co-op was confronted with the reality that organic grains were becoming commodified. Cheap organic imports were undercutting domestic relationships built over many years. Rumors abounded of organic fraud relating to these imports, but investigation and enforcement during the Bush years were lacking. The stark reality was that an industry founded by mission-based pioneers and ethical retailers was being muscled or bought out by profit-driven corporations and conventional food retail chains, for whom a piece of paper (organic certificate) often superseded a long-term relationship. This was a large problem for our co-op, as the brunt of this consolidation is usually born by farmers in the form of lower prices.

However, there was a huge disconnect. The core organic consumer, whose support built the organic industry, was becoming increasingly dissatisfied with the change in the industry and the offerings provided by corporate organics. Whereas organics once meant raw materials from domestic family farms, it now may mean, for example, raw materials from Chinese government-

controlled farms\*. Whereas it once was implicit that organics meant fair wages and dignified working conditions for farm workers on family farms, it now could mean exploitative working conditions on large plantations, similar to what is found in conventional agriculture.

We felt, as a farmer-owned co-operative that paid good prices to our members who in turn paid fair wages to their farm workers, that we needed to differentiate our organic grains from mass-imported organic grains. To do this, we decided to become certified to fair trade standards. The only problem was that there were no fair trade standards for domestically grown crops, and there was no domestic fair trade seal or market identifier.

There was the added issue that additional ethical and environmental standards were being demanded by core organic consumers, such as sustainable packaging, animal welfare and emissions standards. But this would involve multiple seals on packaging, and label fatigue could set in. To solve this problem, could we not put these additional ethical and environmental standards under one seal? In 2003, our co-op set out with our partners to

develop a supply chain that was not only certified organic but also certified fair trade and designed to incorporate additional standards as they came about. Thus, the fairDeal supply chain non-profit was born, to offer one seal for multiple standards, with the initial requirements for membership being both certified organic and certified fair trade. We still had a problem, though, as the fairDeal program needed a domestic fair trade standard to comply with.

As it happened, we were not the only group who understood this disconnect. Others were determined to organize for the integrity of organics and the advancement of domestic fair trade. So, in December of 2004, a meeting was called between Organic Valley Co-op, Equal Exchange, the Agricultural Justice Project (AJP) and Farmer Direct Co-operative. This meeting led to the founding of the Domestic Fair Trade Association (DFTA), an organization that has blossomed to over thirty members with representation from each part of the supply chain, from farmers and farm workers to retailers and food manufacturers (see <http://www.dftassociation.org>). And with it, the fairDeal program found its domestic fair trade standard in the AJP.

The AJP, a collaboration between organic farmers, farm workers and NGOs, came together in 1999. They recognized that organic certification did not address the people, farmers or farm workers who make organic agriculture a real alternative to conventional agribusiness. This represented a significant omission, since historically progress towards social justice has been one of the basic principles of organic agriculture (see <http://www.agriculturaljusticeproject.org>).

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Photo Credit: fairDeal members Sarah and Dale Johnson with family in Kipling, Saskatchewan



Photo Credit: fairDeal member Allan Yarskie with family in Lake Lenore, Saskatchewan

For us, it was also significant that the AJP standard was developed by the very people it was meant to protect – farmers and farm workers. The AJP was a genuine grassroots effort to improve the lives of those working in agriculture. Starting in the Summer of 2006, fairDeal undertook to become the first organization in North America to be certified to domestic fair trade standards. The process was enlightening, as although our farmers had excellent informal relationships with their workers, the AJP standard required that these relationships become formalized through written contracts and policies. Additionally, the integrity of the audit and standard was excellent, with each farm worker being interviewed separately from the group, so that any concern or violation could be discussed in private with the auditor. After four years and three inspections, Farmer Direct Co-op received our AJP social justice certification.

We were almost on our way, but there

was a catch. Our members, some of them organic farming since the 1970s (even before certification), had learned hard lessons from their organic experience. How are we going to maintain our differentiation when publicly-traded companies and other profit-first enterprises co-opt domestic fair trade once a market had been developed? With the incursion of Nestlé into fair trade chocolate, we knew that fair trade, domestic or otherwise, was now on the corporate radar. Once co-opted, would domestic fair trade be watered down, similar to organics, as with the interpretation of the “pasture rule?” Would we be at the mercy of certification bodies to uphold the standards, even if it was not in their short-term economic interest? Would we have to wait ten years to reassert the spirit of domestic fair trade, as with the controversy in organics over the access to pasture rule? We felt we needed to learn from our organic experience to prevent this co-option from happening. Our solution to this problem was to

combine third-party certification with peer review. In this way, our peers and fellow seal holders can root out the dishonest players instead of waiting for the certification bodies or government to act, which can take years. With the additional requirement that all members of fairDeal institute pay equity (based on highest/lowest salary ratio), including their parent companies, we are sure that we can maintain the integrity of the seal. Now we can begin to truly provide affordable food to the people and fair compensation to all who work in the agricultural supply chain. ■

\* Nebraska-based Organic Crop Improvement Association (OCIA) had employees of a Chinese state agency inspect the state-controlled farms, which of course misses the whole point of organic food inspection: independent certification. The USDA responded to the controversy by banning the OCIA from running any food inspections in China. (see <http://www.triplepundit.com/2010/06/usda-drops-ocia-organic-food-inspector-in-china> and <http://www.nytimes.com/2010/06/14/business/global/14organic.html>)

# Going Fair Trade – the Challenges of Setting Up Sustainable and Fair Supply Chains – and Getting Them Certified

By David Bronner, President, Dr. Bronner's Magic Soaps

Being responsible to the people we work with has always been a pillar of Dr. Bronner's business philosophy. In 2002, we decided to expand that philosophy to our supply chains and determined to shift our major raw materials to certified organic sources. By 2003, all our soaps were certified under the USDA's National Organic Program (NOP), but over the next two years we realized that our supply chains were opaque to us: we bought from intermediate brokers and did not know whether the organic farmers, farm workers and factory workers in our supply chains received fair prices and wages, or whether child or exploited labor made our organic oils. While the organic movement initially had social criteria regarding pricing, wages and working conditions, those had been completely dropped from the final NOP regulations. Inspired by fair trade brands such as Equal Exchange and Guayaki, in 2005 we decided to commit our company's full financial and staff resources to converting all major raw materials and supply chains to certified fair trade status. These materials include organic coconut, palm, olive and mint oils, and they collectively constitute over 95% by weight of our agricultural volume - everything except water and the alkali needed to saponify our soaps. In effect, this switch would allow us to produce "fair trade" soaps.

First, we researched the basic tenets of fair trade and resolved to follow them: cut out intermediaries in the purchasing chain and know the farmers and their communities from whom you are buying; build long-term trading relationships; make sure prices for crops and wages are fair and paid promptly; help finance farm inputs such as organic compost; set a floor price that guarantees to cover farmers' cost of production (COP) plus a fair profit should market prices

crash below COP; ensure that working conditions in processing operations are safe; follow rules set by the International Labor Organization regarding working hours, gender equity and the right to collective organization; contribute a fair trade premium for community development, such as for medical equipment, health clinics, school books, water sanitation – whatever the local needs might be; and achieve the participation of all stakeholders.

We then searched for existing producer projects for our main raw materials that would meet these criteria. The fair trade movement had initially emerged around coffee, cocoa and tea, major export commodities whose producers around the world routinely suffered from major price fluctuations and exploitative



Photo Credit: Alix Audibert

trading practices. Only recently had the fair trade concept begun expanding into other commodities, and the only fair trade supplier of the raw materials we required was the olive oil producer Canaan Fair Trade in Palestine. The company had organized more than 1,000 small olive farmers in the West Bank into village groups in cooperation with the Palestine Fair Trade Association (PFTA) – and was able to supply the

volumes we required. However, there were no credible fair trade sources for our other main raw materials, so we decided to set up organic and fair trade projects for coconut oil in post-tsunami Sri Lanka, for palm oil in Ghana and for mint oil in India.

Canaan Fair Trade was already a member of the Fair Trade Federation (FTF), a North American fair trade group that accepts only dedicated 100% fair trade organizations as members. However, FTF does not certify operations by conducting "on the ground" inspections of farms and factories; rather, like many membership organizations, it uses an audit process. Having witnessed the lack of integrity concerning professed organic claims on personal care products, we knew that we needed to have credible third-party inspection and certification of Canaan Fair Trade and the other projects we intended to set up.

Thus, we met with TransFair USA, the U.S. arm of the international Fair Labeling Organization (FLO), who had set product specific standards for several basic commodities. TransFair told us there were no FLO standards for the materials we needed. They therefore could not certify those materials, whatever the source, and suggested that we ask FLO to set such standards. We visited FLO's headquarters in Bonn, Germany and met with their standards group at the 2006 Biofach trade show. They liked our intentions but said they would not have standards in place for our commodities for at least another five years, so we should wait and talk to them then. We soon realized that the key hurdle was FLO's approach to setting global minimum prices for each new commodity, which was a rather time-consuming process.

We asked ourselves: what was wrong with the fair trade movement and its main

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Photo Credit: Sue Kastensen

certifier, given that their rules prohibit certifying a project such as Canaan Fair Trade, which is fair trade in every sense of the word? In contrast, NOP organic standards allow certification to proceed without regard to who, where or what is being certified – as long as organic rules are met, chemical fertilizers and synthetic pesticides are not used and soil fertility is maintained naturally. Why was the same not true for projects that meet all fair trade criteria? A fair trade project internalizes additional costs associated with ensuring production and operations are fair and needs third-party certification to win consumer trust. Fair trade certification delayed is fair trade denied.

At the same show in Germany, we met with the respected Swiss organic certifier IMO (Institute for Marketecology). IMO was founded by the late visionary Dr. Rainer Baechi, an early pioneer of organic and socially responsible agriculture. IMO had helped FLO in developing several of their fair trade standards, and many of IMO's organic inspectors also inspected FLO-certified projects. IMO had realized the need for a fair trade certification system that avoided FLO's burdensome global price-setting mechanism commodity by commodity. IMO instead addressed local production scenarios directly, considering their unique costs, product mixes, cultural contexts and producer

organizations, on a case-by-case basis. Their approach to fair pricing was to ensure that a transparent, market-based price was negotiated in good faith between parties, but with the requirement that it had to cover, at a minimum, the cost of production and a fair return. IMO also paid much more attention to other parties in the supply chain, including the main company/brand that sold a given fair trade certified product.

IMO released its "Fair for Life" program in 2006, and in 2007 Canaan Fair Trade was one of the first groups certified under the new program. A video portrait of the project can be seen on our Web site ([http://www.drbronner.com/olive\\_oil\\_from\\_the\\_holyland.html](http://www.drbronner.com/olive_oil_from_the_holyland.html)). Since then, Dr. Bronner's has purchased almost all of its olive oil from Canaan, more than 100 metric tons per year and growing. We pre-finance deliveries and support Canaan in its expansion where we can, as ultimately fair trade is about long-term relationships and mutual benefit.

In the Spring of 2007, after organizing fair trade organic coconut farmers and investing close to \$2 million in setting up a modern factory for virgin coconut oil, Dr. Bronner's Sri Lankan subsidiary Serendipol began operation as the world's first major fair trade-certified producer of coconut oil. Serendipol now produces over 1,300 metric tons of coconut oil for Dr. Bronner's and 300 metric tons for other companies, employs close to 200 workers, administrative staff and field officers, and buys from more than 400 farmers. Serendipol supports its growers through education in organic methods and the supply of compost to improve productivity of their land. Compensation and working conditions at Serendipol are far superior to comparable operations in the area. Dr. Bronner's contributions to the project's fair trade fund, over \$250,000 in 2010 so far, are used for a range of projects in health care, education and staff welfare. A 2009 video provides a good overview of the project (see [\[youtube.com/watch?v=-A45lj4ydAs\]\(http://youtube.com/watch?v=-A45lj4ydAs\)\).](http://www.</a></p></div><div data-bbox=)

Our sister project for palm oil in Ghana, under the auspices of our subsidiary Serendipalm, has taken longer to emerge. We converted about 250 smallholders in Ghana's Eastern Region to organic farming, and we process their palm fruits in a small oil mill which now employs 100 workers. The output currently meets Dr. Bronner's demand, but, since fair and sustainable palm oil for use in natural foods is in high demand, we expect to grow the project in the years to come, providing jobs and attractive returns to farmers in an area left behind by development. Also, in partnership with Earth Oil India, Dr. Bronner's developed a mint project in Uttar Pradesh, India to supply our mint oil needs and to meet the demand for fair trade menthol by other companies. Finally, Dr. Bronner's purchases domestic fair trade hemp oil from the Farmer Direct Co-operative in Canada, as well as Fair for Life-certified avocado oil from Kenya.

There are other fair trade projects on our horizon. We are planning a project for the collection of wild jojoba seeds by Seri Indians in the Sonoran desert. The Seri are not farmers, but IMO's Fair Wild program offers fair trade certification of such non-farming projects, ensuring that wild collection is also done in an ecologically-sustainable manner (see [http://www.imo.ch/imo\\_services\\_wildcollection\\_fairwild\\_en.html](http://www.imo.ch/imo_services_wildcollection_fairwild_en.html)).

So far, we have been very happy with our four-year partnership with IMO. They have proven to be an experienced and sincere certifier dedicated to making global production and trade of agricultural products fair and sustainable. Unlike TransFair/FLO, they combine rigor with consideration of the local setting. Their program allows comprehensive certification of diverse projects and products as fair trade along the entire value chain, which consumers can trust. ■

Taller Artesanal C.P. Paccha - AFAVIP

BIENVENIDOS



# Fair World Project's Fair Trade Challenge

Fair World Project is challenging you to create and share your vision of a "fair world." Send us your creative and inspiring Fair World vision and you could win a year's supply of Fair Trade goodies!

Visit our website to enter:  
[www.fairworldproject.org](http://www.fairworldproject.org)

