



playing. fair

With sales of Fairtrade products
rising rapidly in New Zealand,
Linda Willems looks at how
the global movement is gaining
such momentum here...

Stroll the aisles of most supermarkets across New Zealand and you'll find brands proudly announcing they are Fairtrade. It's a global movement with some high profile support, such as Coldplay's Chris Martin, actor Colin Firth, and our own Finn brothers. Thanks to their activities and the work of Fair Trade advocates like Trade Aid, it's generally understood that buying products with this label helps the original producer. But how it does this is perhaps less well known.

The concept of fair trade centres on paying a fair price to farmers and workers in the developing world, a price that makes production sustainable and improves their quality of life. As consumers, we know we're supporting those ideals when we buy products bearing an independent consumer mark, known as the Fairtrade Label.

The Fair Trade Association of Australia and New Zealand (FTAANZ) is the organisation responsible for promoting Fairtrade Certified products on our shores. And according to Pravin Sawmy, its Networks Coordinator, when you choose 'Fairtrade', the implications for the producers are immense.

"It can be as simple as earning enough so they can feed their family and keep their children from going hungry. It can mean having access to education, healthcare or clean water – things that we take for granted."

This view is echoed by Justin Purser, Food Manager of Trade Aid Imports. Trade Aid is a pioneering not-for-profit organisation based in Christchurch, which has been responsible for bringing fairly traded products into New Zealand for more than 35 years.

Most of its imported handicrafts and food items, which include coffee, chocolate, teas, spices, dried fruits and nuts, are sold through its chain of retail stores, while some are sold wholesale to businesses, such as coffee roasters.

In fact, coffee plays a major role in Justin's job – Trade Aid was responsible for 5 per cent of New Zealand's coffee imports last year and he has seen first-hand just how tough it can be for farmers.

"Unfortunately, much of the global trade in coffee simply isn't fair," says Justin. "In a recent 15 year period, the retail value of the global coffee trade rose from US\$30 billion to US\$70 billion. Over the same period, the value paid to coffee-producing countries nearly halved, from US\$9 billion to US\$5 billion.

"Growers have no real say in the price they will be paid and often receive just enough to prevent them from pulling out their crops and growing something else, but not enough for a reliable, living wage."

However, he says, farmers who band together to form co-operatives or unions can work towards achieving Fairtrade Certification, leading to a vast improvement in their circumstances.

"They earn greater returns in two key ways: higher prices for the coffee and a 'social' or 'Fairtrade' premium, which is an extra sum of money paid per pound of goods.

"At the end of the harvest, the co-operative members decide what they would like to spend that social premium on. Typically a high priority is to build schools; remember this is in areas where children don't have easy access to education and at a time when land is being lost to housing – future generations won't necessarily have the option to farm coffee, even if they want to.

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"Others may choose to build a medical centre or improve water supplies by installing pumps, as their current supply takes hours to collect and is often muddy."

Justin outlines the story of the Oromia co-operative union in Ethiopia which represents more than 100 co-operatives. The Ethiopian government has agreed that if Oromia can find the money to build schools, the government will provide the teachers.

"Oromia knows that for the price of about US\$30,000, they can construct a school which will educate around 400 children. Even then, it's a challenge – I've walked into a classroom there and seen around 100 children, all aged five to 15, going through Grade 1 together.

"In 2008, Trade Aid contracted 14 containers of coffee from this union and if they choose to put the social premium that gives them into extra schools they will be able to educate 750 children. For every five sacks we buy, another child gets an education. Such a little can go such a long way – Fairtrade is really about the little guy."

It's a message many of us seem to be taking on board. A recent public survey conducted by Colmar Brunton on behalf of FTAANZ, suggested consumer recognition of the Fairtrade Label has now reached 36 per cent in New Zealand; two years ago a similar survey showed that recognition was just 2 per cent.

Retail sales of Fairtrade Certified products in New Zealand also grew by an impressive 60 per cent last year to more than NZ\$9 million – well above the global average of 40 per cent.

Interest from retailers is growing too: last year Wild Bean Café announced that all espresso coffee served in its 78 outlets would be made from Fairtrade Certified beans, an exercise that will increase the annual volume of Fairtrade coffee sold in New Zealand by two thirds.



Fermenting coffee at a wet mill in Nicaragua



Robert Harris, Atomic Coffee, Gravity Coffee and Caffè L'affaire have all launched new Fairtrade Certified products into mainstream retail in the last 12 months. Others have already been promoting Fairtrade for a while – Esquires Coffee Houses converted in 2005.

Part of the growth in Fairtrade sales is the realisation that we need to start taking an interest in what's going on in our global 'backyard', says FTAANZ's Pravin.

"In this day and age we have to be conscious that what we consume here does have an impact; not only all the way back through the supply chain, but indirectly on us and our planet."

Pravin knows exactly how poor prices can affect farmers in the developing world. Some have been forced to grow illegal crops so their children can eat, while others have resorted to cutting down forests so they can plant more crops and increase income.

But does doing the "right thing" in buying Fairtrade products mean a compromise in quality? Scarborough Fair, a New Zealand company launched in 2004 to sell only Fairtrade Certified products, would beg to differ. It has received several accolades, with its 70% Dark Chocolate and Dark Roast Arabica Beans both winning magazine taste tests.

Justin from Trade Aid points out that a Palestinian co-operative he works with has just won a gold medal for their organic extra virgin olive oil, while growers from a Nicaraguan co-operative recently took first place in their national Cup of Excellence awards for the second year in a row – one of the highest accolades possible for a coffee farmer.

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Bev Cormack, manager of Auckland's Ponsonby Trade Aid store, agrees: "A few of the local chefs have tried the Palestinian oil and are using it in their restaurants now. That's the biggest story with our products for me – the quality. They can compete with any other good quality product."

The Fairtrade Label can have a positive impact on a company's sales too; Pravin knows of one business that introduced the Fairtrade Label on a product and saw sales increase by a third.

It would therefore be reasonable to expect more companies to choose Fairtrade – but for coffee roasters Caffè L'affaire, while the will was there, the supply was a problem.

"We already had a single origin organic coffee that was Fairtrade and wanted to add a Fairtrade blend," says spokeswoman Jessica Goddard. "But finding a consistent supply of all the raw products needed proved a challenge."

"For example, we use Brazilian beans in our blend but it's not a country that has a lot of Fairtrade suppliers as the coffee tends to be



Justin Purser of Trade Aid with growers in Central America

Key features of Fairtrade

- Producers help establish a guaranteed minimum price for their harvest which covers the cost of sustainable production.
- On top of the price for their goods, producers also receive a 'Fairtrade Premium' (for example, an extra US10c per pound) which goes into a communal fund. The use of this extra money is decided upon democratically by producers and is mostly invested in education and healthcare, or initiatives to improve income.
- Co-operatives can access the money they're due to earn before the harvest, meaning they can pay for equipment and workers and avoid crippling loans.
- Small farmers are given preferential market access over bigger plantations, giving them stability and enabling families to stay and work on the land.
- Producers are joint partners in Fairtrade, not just beneficiaries, and can be found on the Board of Directors of FLO, the body which grants Fairtrade certification to farmers.
- Fairtrade standards require that 100 per cent of ingredients that can be Fairtrade Certified have earned that certification.
- Fairtrade is based on long term relationships and pre-ordering, giving producers confidence to plan ahead.

grown on large plantations. And in Kenya, government controls on the coffee industry make it hard for producers to get Fairtrade certification.

"The good news is we have finally got a blend, Gusto, which is Fairtrade Organic. It's already available to the 250 cafes we supply, and will be on supermarket shelves soon."

The company has also developed a Fairtrade hot chocolate using Fairtrade cocoa and sugar supplies. "It took a bit of digging to find those," says Jessica, "but it was worth it and we'll continue trying to increase the Fairtrade products we have available."

"When you see what a day's work involves for these people, how much effort it takes to put some food on the table, and the terrain they have to harvest in – it's not easy (for them)."

The success of the Fairtrade Label has led to the establishment of several new certification schemes which include social and ethical criteria in their standards.

FTAANZ's Pravin Sawmy says while imitation is the sincerest form of flattery, it's important to be aware that the other labels do not compare with Fairtrade. "Other schemes have as their focus 'protecting the environment' or 'enabling companies to trace their coffee'. They don't claim, or set out, to help producers improve the quality of their lives through mechanisms such as fair and sustainable prices and social premiums."

"As companies realise that consumers want more from products, like 'traceability' so they know where it comes from, we will probably see more of these labels spring up."

Peoples Coffee, a Wellington-based boutique Fairtrade coffee roaster, has hit on a novel way to give customers that 'traceability'. On its website, the company profiles each of the co-operatives it buys from and some of the growers. Founder and General Manager, Matt Lamason, has also posted an online travel diary and photograph album of his trips to visit them.

"To my knowledge, when we started in 2004, we were the first New Zealand coffee company to be 100 per cent Fairtrade and Organic Certified."

"While I was studying politics in 2003, I worked as a barista in various Wellington cafes. I got to asking where our coffee came from but the answers were fairly nondescript."

"It was after a visit to Nicaragua that the brand of Peoples Coffee emerged. The people there just got my respect straight away and I could see the ill effects of trade liberalisation, and also a great desire on the part of producers to better themselves."

"I was keen to make a difference in Third World development, so the idea of creating better and fairer trading relationships with Third World producers was a heart value for me. Now we travel annually to co-operatives to maintain for ourselves, and our customers, the reality of how Fairtrade makes a difference – despite the carbon of flying across the hemisphere."

The launch of Scarborough Fair was based on a similar desire to support producers. Lighthouse Ventures, an Auckland-based food marketing company, developed the brand after realising that a mainstream approach would be the best way to help the most growers.

The move has proved so successful that Scarborough Fair's range of coffee, tea and chocolate is now being sold through one of America's biggest online food stores, www.amazon.com.

Virginia Bond, General Manager of Lighthouse Ventures Limited, says it's about giving people a choice to make a difference. "One of the best comments I've heard came from a mother who said we deliver Fairtrade and organic at great prices. It means people can make it part of their 'every day' and feel good about it." ●

How you can help?

- Buy products that bear the Fairtrade Label.
- Visit checkoutfairtrade.org.nz to see how you can encourage your supermarket to carry more Fairtrade products. You can also nominate your local store for the title of Best Fairtrade Supermarket of 2009 – last year's winner was New World, Victoria Park, Auckland, with the runner-up prize going to Fresh Choice in Roslyn, Dunedin.
- Take part in Fair Trade Fortnight, May 2-17, an initiative coordinated by FTAANZ and supported by organisations such as Oxfam and World Vision. Last year's national events included school holiday craft sessions and discussions with Fairtrade roasters. Visit fairtrade.org.nz
- World Fair Trade Day falls on May 9, during Fair Trade Fortnight. You can join an event or organise your own. Visit wftday.org

Fair Trade facts

- The concept of Fair Trade began in the United States in the 1940s but it wasn't until 1988 that the first label was established. Known as the 'Max Havelaar' label it was used on coffee and within a year the brand had a market share of almost three per cent.
- Perishable products that benefit from Fairtrade include coffee, teas, sugar, cocoa, spices, chocolate, fruits, honey, oil and nuts. Companies like Trade Aid also sell a range of handicrafts traded on the same principles.
- Fairtrade has a wider geographical scope than any other 'social' label, with producer organisations now certified in 58 developing countries and products bearing the Fairtrade Label sold in over 60 countries.
- Global sales of Fairtrade Certified products are now more than NZ\$4.8 billion.