

STATES OF JERSEY

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FAIRTRADE ISLAND

**Lodged au Greffe on 3rd February 2004
by Senator J.A. Le Maistre**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) to support all possible initiatives to enable the Island to be recognised by the Fairtrade Foundation as a Fairtrade Island and, in particular, to agree that –
 - (i) Fairtrade coffee and tea should be served at meetings of the States and of Committees of the States;
 - (ii) the States should promote awareness of Fairtrade on a regular basis on the States of Jersey website and in publications produced, or sponsored, by the States, where appropriate;
 - (iii) the Environment and Public Services Committee be requested, in partnership with the Jersey Fairtrade Island group, to ensure continued commitment to the Fairtrade initiative;
 - (iv) street signs should be erected declaring Jersey as a Fairtrade Island if this status is obtained; and
- (b) to request all Committees and Departments of the States to take all appropriate steps to support Fairtrade products in their purchasing policies.

SENATOR J.A. LE MAISTRE

REPORT

The FAIRTRADE Mark states simply “Fairtrade Guarantees a better deal for Third World Producers”.

The idea of the Fairtrade Town initiative was born in the U.K. in 1999 when an enterprising Oxfam group in the Lancashire market town of Garstang was considering the next step in its campaign to promote Fairtrade. The campaign to make Garstang the world’s first Fairtrade Town, caught the imagination of the local community which was galvanized by support from local shopkeepers, businesses and the council and engaged the attention of the local and regional media.

The campaign also won the endorsement of prominent politicians, including the Mayor, the local Member of Parliament and George Foulkes MP, Minister at the Department for International Development.

From this initiative many towns and cities in the U.K. have become committed to the aims of Fairtrade and have gained recognition by the Fairtrade Foundation.

The Five Goals required to achieve Fairtrade status are set down by the Foundation. They are as follows –

1. The local Council passes a resolution supporting Fairtrade, and agrees to serve Fairtrade Coffee and Tea at its meetings and in its offices and canteens. (Full text below).
2. A range of Fairtrade products are readily available in the area’s shops and served in at least 2 (or 4 if a city) local/cafés/catering establishments.
3. Fairtrade products are used by at least 10 (or 20 if a city) local businesses and organizations.
4. Attract media coverage and popular support for the campaign.
5. A local Fairtrade steering group is convened to ensure continued commitment to its Fairtrade Town status.

The full text of number (1) above as it appears in the Fairtrade leaflet is as follows –

- Local council passes a resolution supporting Fairtrade, and agrees to serve Fairtrade coffee and tea at its meetings and in its offices and canteens.
- Local council commits itself to promoting awareness of Fairtrade to its constituency on a regular basis, through its free publication (if it has one) and other outlets.
- Local council allocates Fairtrade Town responsibilities to a member of staff or committee (possibly its Environmental or Agenda 21 officer working in partnership with a local Fairtrade steering group) to ensure continued commitment to its Fairtrade Town status.
- Street signs are erected declaring it as a Fairtrade Town.

This island has been a leader in demonstrating its commitment, over the last 35 years, in developing a program of assistance to third world countries both through funding aid and also through practical assistance. We now have an opportunity to further strengthen our commitment to the relief of suffering in third world countries by promoting the sale of Fairtrade products in our community.

All goods bearing the FAIRTRADE Mark have to be approved by the Fairtrade Foundation and an explanation of this is to be found in the attached leaflet entitled “An introduction to Fairtrade”

Jersey already has an impressive list of suppliers of Fairtrade goods which are as follows –

The Oxfam Shop, New Street, St Helier;
The Co-op Stores;
Checkers;
Safeway;

Coopers, Halkett Place, St Helier;
Health Essentials, New Street, St Helier;
Spice House, Central Market, St Helier;
Organic Shop, Stopford Road, St Helier;
St. Ouen's Community Market;
St. Lawrence's Community Market.

Fairtrade coffees are served at Bean Around The World, MangeTout, The Daily Grind, The Opera House cafe and Bagel Bar. They are served at Bistro Victoria at Victoria College. There may well be others.

It will be of interest to members and the public to know that Fairtrade roast and ground coffee sales accounted for 15% of the market value in 2002.

There are now more than 200 Fairtrade products supplied by 360 producer groups representing 4.5 million producers and their families in 45 Countries.

The House of Commons has been serving Fairtrade products for several years.

There are presently 32 Fairtrade towns, villages, and cities and zones in the U.K., with another 140 seeking Fairtrade status. As yet there are no Islands so Jersey could well be the very first Island, not just in the British Isles but in the World to achieve this status if this proposition is approved by the States.

Also of interest is that during Fairtrade Fortnight, held each year in March, a songwriting competition has been launched for the Island's young people and there is a concert of winners planned for 6th March 2004.

The aim of the Jersey Christian Aid group is to make Jersey a Fairtrade Island by October 2005. I firmly believe that, given goodwill, this can be achieved sooner.

Four of the five Goals required for the Island to achieve recognition as a Fairtrade Island are virtually met. There remains the first Goal which this proposition is intended to meet.

Financial and manpower implications

Any financial or manpower implications should be minimal.

Introducing Fairtrade

A guide to Fairtrade and how the FAIRTRADE Mark works



Why the FAIRTRADE Mark?

The purpose behind the FAIRTRADE Mark is to strengthen the economic position of disadvantaged producers. Millions of landless labourers and small farmers are denied what should be their right: enough to feed their families, send their children to school and that little extra to invest in sustainable development. Clearly, the advantages of international trade are not visible to all people in the world. For small farmers, access to markets and price information is difficult and, as a result, many small farmers become increasingly dependent on middlemen. In bad times, many lose their only asset: their land and, thus, their livelihoods. Similarly, many plantation workers do not see the benefits of increasing world trade. Many endure low pay, an unsafe working environment and poor living conditions. Too often they lack the freedom to join a trade union to defend their rights and the opportunity to participate in decisions that affect their lives on the plantation.

The Fairtrade Foundation

The Fairtrade Foundation exists to improve the position of poor and marginalised producers in the developing world. The Fairtrade Foundation encourages UK industry and consumers to support fairer trade and to purchase Fairtrade products.

The FAIRTRADE Mark

The FAIRTRADE Mark is a certification label awarded to products sourced from the developing world that meet internationally recognised standards of fair trade.

By participating in Fairtrade, producers are able to use the additional income to strengthen their organisations and invest in social, environmental and business improvements. Just as importantly, they are able to learn more about markets and marketing, and take more control of their lives.

Workers and management on plantations that participate in Fairtrade work together to make decisions about social development on the plantation, including the uses to which the extra income is to be put.

What's the history?

The first Fairtrade label was launched in 1988 in the Netherlands and applied only to coffee. It was a specific response to the collapse of the world coffee price, which fell for some years to far less than the cost of production, and led to much suffering for coffee farmers and their families.

Since then, labels have been launched in 16 other countries, in Europe, North America and Japan, and the products have gained between 1% and 14% market share in different countries. In the UK, the first FAIRTRADE Mark products appeared in

1994 (chocolate, coffee and tea) and, from a small base, sales are still expanding rapidly – by around 40% per year.

Fair trade companies like Oxfam and Traidcraft and development agencies such as Christian Aid and CAFOD have supported Fairtrade since the beginning, and we work closely together to strengthen producers, raise awareness, and develop agreed international standards of Fairtrade which will allow more products to carry the FAIRTRADE Mark.

"Fairtrade is the reason that the small farmers in our association still have a livelihood at all. The most important effect of Fairtrade is the feeling that we can challenge the dependence on the big companies with all those inequalities... We, small producers, have changed things and you can see the difference." – Jorge Ramirez, El Guabo, Ecuador

Why a label?

Unlike the various 'ethical' or socially-responsible trade arrangements, Fairtrade can only work if consumers are willing to select Fairtrade products in the supermarkets and elsewhere.

The FAIRTRADE Mark is both a tool to attract consumers' attention, and a guarantee to the consumer that Fairtrade standards really have been met. Without such an external assurance – and without agreed international standards – any company could lay claim to fair trade. This would in time create two linked problems:

Consumers would become sceptical about fair trade, as they did about 'green' claims in the late 1980s.

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Producers would find standards of fair trade begin to decline as more companies competed for consumer attention and began to negotiate prices down.

The FAIRTRADE Mark creates a level playing field; an external standard below which companies cannot drop, allowing competition to operate without damaging the poor producers at the end of the supply chain. The need for consumer support means that the Fairtrade Foundation spends most of its energy on communications and awareness-raising, and is strongly supported by development agencies and women's organisations. Each year more organisations and individuals join the campaign to bring Fairtrade into the mainstream.

Fairtrade Standards

The problems experienced by poor producers and workers in developing countries differ greatly from product to product. The majority of coffee and cocoa, for example, is grown by independent small farmers working their own land and marketing their produce through a local co-operative. For these producers, receiving a fair price for their beans is more important than any other aspect of a fair trade. Most tea, however, is grown on estates. The concerns for workers employed on tea plantations are fair wages and decent working conditions.

To address this there are two sets of generic producer standards; one for small farmers and one for workers on plantations and in processing factories. The first set applies to smallholders organised in co-operatives or other organisations with a democratic, participative structure. The second set applies to organised workers, whose employers pay decent wages, guarantee the right to join trade unions and provide decent housing, where relevant. On plantations and in factories, minimum health and safety as well as environmental standards must be complied with, and no child or forced labour can occur.

As Fairtrade is also about development, the generic standards distinguish between minimum requirements which producers must meet to be certified Fairtrade. Progress requirements also encourage producer organisations to continuously improve working conditions and product quality, to increase the environmental sustainability of their activities and to invest in the development of their organisations and the welfare of their members or workers.

Trading standards stipulate that traders must:

- pay a price to producers that covers the costs of sustainable production and living;

- pay a premium that producers can invest in development;
- make partial advance payments when requested by producers;
- sign contracts that allow for long-term planning and sustainable production practices.

"Through Fairtrade we have been able to organise ourselves. Before the Fairtrade Label initiative came to our plantation, we had to beg the owners for just a little thing. But they still did not listen to us. Now we are able to discuss matters together with the management... We have been empowered and are able to discuss plantation matters with management in a team spirit." – Ruplal Raj, Makaibari, India

Monitoring

The Fairtrade Foundation, with its international partners, checks that approved products continue to meet these criteria.

How does it work for producers?

Fairtrade Labelling Organisations International (FLO) is the umbrella organisation uniting the 17 national initiatives including the Fairtrade Foundation. FLO acts as a certification body, setting Fairtrade standards, and monitoring the producers to ensure that they meet the standards and that individual producers are benefiting from the Fairtrade arrangements.

"Before, I was someone that took a box and loaded it onto a train. That was my only responsibility. In this new system, I have become an international businessman." – Arturo Gomez, Coopetrabatur, Costa Rica.

What about companies?

Fairtrade can only work if commercial companies are willing to buy from registered producers on these Fairtrade terms. Those that do can obtain a licence to use the FAIRTRADE Mark on specific products in the UK, by signing a legal agreement with the Fairtrade Foundation. The Foundation monitors the licensee companies to ensure that they buy from the registered producers and observe the terms for any product labelled as Fairtrade. The Fairtrade Foundation receives regular audit reports from the companies, which detail which producers they buy from, and the prices paid. These are checked with the producers, and independent auditors are employed to verify the companies' records.

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FAIRTRADE Mark Products

Currently, more than 180 coffee, tea, fresh fruit, chocolate, cocoa, juice, sugar and honey products carry the FAIRTRADE Mark. Fairtrade coffee, tea and other products are also offered by more than 25 catering suppliers nationwide.

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