

Dossier Fair trade

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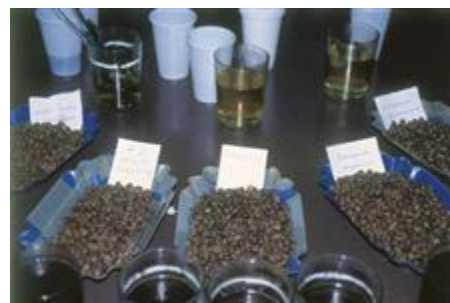
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Scope

In this dossier various aspects of fair trade are dealt with. First, in brief, an outline is presented what fair trade is usually associated with. Further, KIT's focus on influencing the mainstream market by promoting business partnerships between conventional companies and small-scale suppliers in developing countries is explained. Fair trade organizations involved in labelling and certification can be found in the



overview of websites. Under 'Resources' a selection of publications on fair trade related themes from KIT Library is presented. How fair trade works in practice is illustrated by real life cases from Fair Trade Original and Max Havelaar, based in The Netherlands.

In-depth

Introduction

Whereas KIT's efforts concerning fair trade lie on matching mainstream business with poverty alleviation by support and capacity building of small scale farmers and producers, other organizations mainly deal with certified and fair trade labelled products. [Fair Trade Original](#), -one of the initiators and user of the Max Havelaar Seal of Approval- and [Max Havelaar](#), both based in The Netherlands are such organizations. This section of the dossier presents real life cases of their trading partners to illustrate how fair trade works in practice.



Fair Trade in Nicaragua and Tanzania

Fair Trade Original, The Netherlands has trading partners in Africa, Asia and Latin America. One of its partners is the Nicaraguan farmers' organization Cecocafen of which Fair Trade Original has purchased coffee since 1997. Another partner is Mikono, a craftsmen affiliation based in Dar es Salaam, Tanzania. Mikono makes statues, music instruments, baskets and wooden stools in a combination of traditional and modern designs.

Max Havelaar in South Africa

How fairtrade may accelerate the process of empowerment of labourers is described in the South African case of Sun Orange, a citrus plantation. It was certificated in 2003. Max Havelaar supports the empowerment of the plantation's seasonal labourers. Joint ownership, fixed minimum prices, and possibilities for training are key issues.

KIT's involvement

Making the mainstream market more fair

What distinguishes KIT from well-known fair trade organizations like Fair Trade and Max Havelaar is the fact that KIT does not focus so much on certified or labeled fair trade products, but rather tries to influence the mainstream market by promoting business partnerships between conventional companies and small-scale farmers or producers.

Companies are interested in doing business with small-scale suppliers because they can assure quality and traceability in the supply chain. It is also advantageous for small-scale farmers because they get a better price for their products when they supply directly to the purchaser, in accordance with the latter's quality standards and product specifications. KIT's role is to make the parties find each other, reduce transaction costs, mitigate risks, and promote joint investments in upgrading the supply chain.

Ginger

KIT successfully brought together the Dutch spice company Unifine and a number of small scale farmers in Sierra Leone. After a successful pilot order of 8 tons, the farmers will this year supply [140 tons of dried ginger to the Dutch market](#) .

Mangoes

Innovative sustainable production chain for mangoes

A continuous supply of mangoes on the fruit shelves of European supermarkets and a good price for African mango farmers. That is the objective of a new sustainable product- and supply chain for mangoes from Mali for which the Malian Institute of Rural Economy (Institut d’Economie Rurale, IER) and KIT took the initiative. Soon, a mango-export centre for the European market will be constructed. This mango project is an example of public-private partnership and shows cooperation between KIT, the Dutch Ministry of Foreign Affairs, Ahold, and fruit distributor Bakker Barendrecht.

The project will contribute to poverty alleviation, economic development and improved agriculture in Mali. It will also give a boost to the quality control of local agricultural products. Besides, all the actors in the chain, including small farmers, will have their equal role and say. KIT’s role will be that of process facilitators supporting the construction and transfer of ownership of the logistical centre from the government of Mali to local farmers and exporters.

The project is the result of a longstanding cooperation between IER and KIT. This oldest partnership in The Netherlands with regard to African rural development is among others directed at professionalization of Malian agricultural research and exploring market opportunities of local agricultural products.

Tuna

Sustainable tuna fishing in Ghana

KIT is facilitating a public-private partnership between local small-scale fishermen and Ghanaian and Dutch companies to develop a sustainable chain for fresh, line-fished tuna. The objective of this joint venture is to achieve sustainable tuna fishery, providing a decent living for Ghanaian fishermen as well as Dutch importers. [An initiative spawned by KIT](#), the founding contract is due to be signed in Accra in early spring.

Medicinal plants

Sustainable and equitable chain for medicinal plants

Medicinal plants are a fascinating global enterprise, playing a unique role in health care, culture, biodiversity and rural economies. Worldwide the demand for medicinal plants is growing. The mountains of Uttaranchal, India, have the potential to become a major supplier. In their commitment to cultivate healthy enterprise KIT, [IAMR](#) and [CSD](#) developed an approach where stakeholders interact to construct a sustainable and equitable chain.

KIT’s efforts for matching mainstream business with poverty alleviation are dealt with by the [KIT Chains group - Connecting people, values and markets](#)

Publications

[Bulletin 350 - Cultivating a healthy enterprise](#)

Projects

[Multi-stakeholder approach to agricultural diversification in India: the medicinal plant sector in Uttaranchal State](#)

Resources

KIT's library has a fair amount of publications on fair trade related themes. Some predefined searches have already been made for you. These links consist of pre-selected search strategies leading you to an overview of relevant titles. The first search gives an overview of agricultural related fair trade publications since 2000 to now. The second provides a list of general fair trade publications from 2000-present. There might be some overlap. If the selected titles/items were not what you were looking for, please take a look at our [on-line catalogue](#) to search your relevant titles.

Other resources

- [global exchange fair trade resources](#)
- [fair trade resource network](#)

Websites

- [IFAT International Fair Trade Association](#)
- [Fair Trade Organization UK](#)
- [EFTA European Fair Trade Association](#)
- [NEWS Network of European Worldshops](#)
- [Transfair USA](#)
- [Fair Trade Federation](#)
- [Ecodyfi - Fair Trade Websites](#)
- [Catgen Cooperation for Fair Trade in Africa](#)
- [Catgen Asia Fair Trade Forum](#)
- [IFAT Latin America](#)
- [Fairtrade Labelling Organizations International \(FLO\)](#)
- [FLO Cert GmBH](#)
- [Fair Trade Original The Netherlands](#)
- [Max Havelaar The Netherlands](#)
- [Wereldwinkels NL](#)
- [SVN Social Venture Network Europe](#)
- [Ten Thousand Villages Fair Trade movement worldwide](#)
- [Twin Trading, UK](#)
- [International Trade Forum Magazine - Fair Trade](#)

KIT Library Queries

- [Fair trade and agriculture - resources from 2000-present](#)
- [Fair trade resources from 2000-present](#)

Glossary

Certification: Fair Trade certification requires that production adhere to a set of strict social conditions, where registration is permitted only to democratically-organized producer associations or plantations with independent democratic unions who must uphold basic ILO (International Labor Organization) conventions. In addition to paying a set premium above world market price and have a guaranteed minimum price should the market price collapse, Fair Trade importers must provide up to 60% of the expected harvest value. To date, these NGO-based standards have no parallel or protection in national legislation. Source: Fair Trade resource Network.

Fair Trade: Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers - especially in the South. Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade. Official definition as agreed by FINE, an informal umbrella of the four main Fair Trade networks - FLO-I, IFAT, NEWS! and EFTA, in December 2001.

Fairtrade: is used to describe the certification and labelling system governed by FLO designed to allow consumers to identify goods produced under agreed labour and environmental standards. Fair Trade is used to refer to the Fair Trade movement as a whole and can be used to describe both labelled and unlabelled goods and the work of Alternative Trade Organizations (ATOs), Fair Trade federations and networks such as IFAT, NEWS, EFTA etc. The term fair trade is a broader term often used to describe one or many of the above, but can also occasionally be used to refer to trade justice issues. In such cases, it can be as broad as to describe general fairness in trade, such as tariffs, subsidies, worker rights and other issues (source: FAQ fairtrade.net).