

How was your cuppa coffee this morning? Do you know where it came from? Did you notice if it was labelled “fair trade” OR Fairtrade” (no space in between) with this logo.

And what difference does it make?

These two words look like they are interchangeable but not so for farmers and producers of coffee. And for those of us who do not want to be involved in the exploitation of these farmers, it’s important to be aware of the differences and understand how these terms are used.

The coffee bean industry is a very lucrative business and one of the largest sites of forced labour around the world. Forced labourers have little or no rights and millions of them are children. They endure long hours with little or no pay and are often exposed to dangerous chemical fertilizers and pesticides. The battle for fair trade justice has never been more relevant.

The term “Free trade” emphasizes the reduction of borders, restrictions and tariffs on goods and services passing through countries and continents. Fairtrade (one word) involves ensuring that the workers behind these goods and services are treated fairly and paid justly, and that human rights are maintained throughout the supply chain. It means you are helping to protect people and the planet and importantly be addressing the challenges of the climate crisis. Fair Trade, the two - word version, is not a protected term and can be used by anyone and so does not necessarily have any real environmental or societal value.

Fairtrade came about in response to the struggles of Mexican farmers following the collapse of the world coffee prices in 1988. Fairtrade International (FLOCIERT) established in 2003, is an independent system and works directly with the farmers/growers. It set up standards which protect workers’ rights, ensures that the farmer’s earnings cover their costs and more, and that improved knowledge of sustainable farming practices are



encouraged and maintained. Many of these farmers choose to go organic as well; it’s seen as a way to support the environment and ensure that their workers are not exposed to harmful chemicals.

Fairtrade works with close to one million farmers across 32 countries with Columbia being the largest producer of coffee. In addition, growers of cocoa, bananas, sugar, tea and chocolate are also supported with the Fairtrade label. Fairtrade products continue to fund and support workers in communities around the world. Fairtrade growers are guaranteed the minimum price; if market price exceeds this, then farmers receive the market price.

When market prices drop, they still receive the minimum which covers all costs of production. Fair trade has a market share¹ of 25% which means that it receives this percentage of the total revenues or sales in a particular market such as coffee sales. The remaining 75% therefore, does not necessarily offer any price security to the farmers. This makes them very vulnerable to the fluctuations in the market.

When you see “Fairtrade” as a single word, it certifies that the goods are produced ethically and sustainably under fair trade principles. Fairtrade coffee brands have made it an integral part of their mission to develop lasting, mutually beneficial partnerships with the farmers who cultivate their crops.

How to be a more aware customer when making choices in the superstore? When “fair trade” is written on the packaging as a two word term and lacking the Fairtrade logo, it’s being used by companies who are deceiving the purchaser.

When we choose to buy “Fairtrade” coffee we are casting a vote for the ethical treatment of the labourers who are responsible for our daily cuppa coffee.

1. Market share is the percentage of the total revenue or sales in a market that a company’s business makes up. For example, if there are 1000 units sold per year in a given industry, a company whose sales were 250 of those units would have a 25% share in that market.