

# What is Fair?

## Trends and Responses to Fairtrade and Ethical Consumerism in Inverness



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# Introduction

Fairtrade products were first brought to UK shelves 25 years ago in 1994, when the Fairtrade Foundation introduced a range of chocolate, coffee and tea products to local shops. This was largely in response to the coffee crisis that had befallen smallholder coffee producers as a result of the collapse of the global coffee price. Following the commercial success of the Dutch fair trade brand Max Havelaar in the late 1980s, various campaign groups and initiatives eventually came together to form the Fairtrade Foundation.<sup>1</sup> They introduced the concept of a Fairtrade Minimum Price which guarantees farmers a fair price for their produce. This takes the form of a 'price floor', protecting farmers and producers if the market price drops below an economically sustainable level. They also introduced the Fairtrade Premium, an additional sum of money which is paid to farmer co-operatives to invest, how they choose, in their own communities. This Fairtrade Premium often allows producers to upgrade their means of production, invest in sustainable agricultural practices, or set up medical or educational infrastructure in their communities.<sup>2</sup>

There are now over 4,500 Fairtrade products available to buy in the UK, coming from 450 different companies.<sup>3</sup> Globally, Fairtrade sales reached \$9.2 billion in 2018, and awareness of the Fairtrade mark in the UK has risen from 25% of British consumers in 2003 to 93% today.<sup>4</sup> The Fairtrade Foundation's system includes 1.66 million farmers and workers around the world, 23% of whom are women. There are 1,411 producer organisations involved, spread out across 73 different participating countries.<sup>5</sup>

The Fairtrade Foundation also has a committed grassroots network which aims to advocate for fair trade and increase demand for Fairtrade products. In 2006, Inverness was awarded Fairtrade City Status by the Fairtrade Foundation, in recognition of the commitment to increase awareness and sales of Fairtrade products locally. In 2012, the Highland region was designated a Fairtrade Zone, and the following year Scotland as a whole was declared a Fairtrade nation.

This can be seen as a huge surge in what has been termed 'ethical consumerism', a form of activism through purchasing power where ethical products are favoured over other, often boycotted, goods. However, ethical consumerism can also be seen as a victim of its

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<sup>1</sup> In this report 'fair trade' refers to the practice of trading commodities in an ethical manner. 'Fairtrade' refers to items which meet the Fairtrade Foundation's standards and principles.

<sup>2</sup> <https://www.fairtrade.org.uk/Media-Centre/Blog/2019/October/25-Years-of-Fairtrade-Impact>

<sup>3</sup> <https://www.fairtrade.org.uk/Media-Centre/News/January-2014/Celebrating-20-years-of-the-FAIRTRADE-Mark-in-the-UK>

<sup>4</sup> <https://www.theguardian.com/business/2019/jul/23/fairtrade-ethical-certification-supermarkets-sainsburys>

<sup>5</sup> <https://www.fairtrade.org.uk/What-is-Fairtrade>

own success, as the significant rise in goods that are marked with various ethical promises has encouraged what some refer to as 'label fatigue'. There are now over 460 different labels in the UK which claim some form of ethical sourcing or sustainable practice.<sup>6</sup> This runs the risk of squeezing out Fairtrade in the market of ethical consumerism, where multiple certification schemes compete for consumer attention.

In 2014, the Inverness Fairtrade Group created a guide to where Fairtrade products can be found around the local area. This included 34 outlets altogether: 17 shops and 17 cafes. In 2019 it was decided to update this guide, especially as Inverness has seen a rise in independent cafes in the last five years since the previous guide was published. A total of 59 cafes and shops were approached in Inverness in the autumn of 2019, to find out how many Fairtrade items are now available in Inverness, and where.

At the same time, the Inverness Fairtrade Group commissioned an independent study of the popularity of Fairtrade & fairly traded products in Inverness, thirteen years on from it first receiving its Fairtrade City status. This research was conducted around Inverness between August and October and involved a wide range of participants, including retailers, suppliers, cafe owners and customers. There were three components of the research: 1) a quantitative study of the number and types of Fairtrade products stocked in local cafes and shops; 2) a qualitative study of the attitude towards Fairtrade and trade justice by retailers; and 3) a survey about public opinion on Fairtrade & trade justice carried out as a pilot case study at the Inverness College's Fresher's Fayre.

The researcher found that while Fairtrade is still seen as a relevant issue, environmental concerns and efforts to support local businesses were making in-roads in the popularity of Fairtrade products in Inverness. In particular, Fairtrade products — predominantly coffee — has been replaced by other brands in several cafes. This seems to fit with wider UK trends and follows national and global debates about different forms of ethical production, trade and consumerism.

This report is a condensed summary of the research findings and includes some of the themes that came out of the research. It also contains a brief breakdown of how Fairtrade products have fared in Inverness over the past five years. Finally, it lists a set of recommendations for individuals and interested parties who may want to get more involved. For more information, please contact the Inverness Fairtrade Group to see the full report.

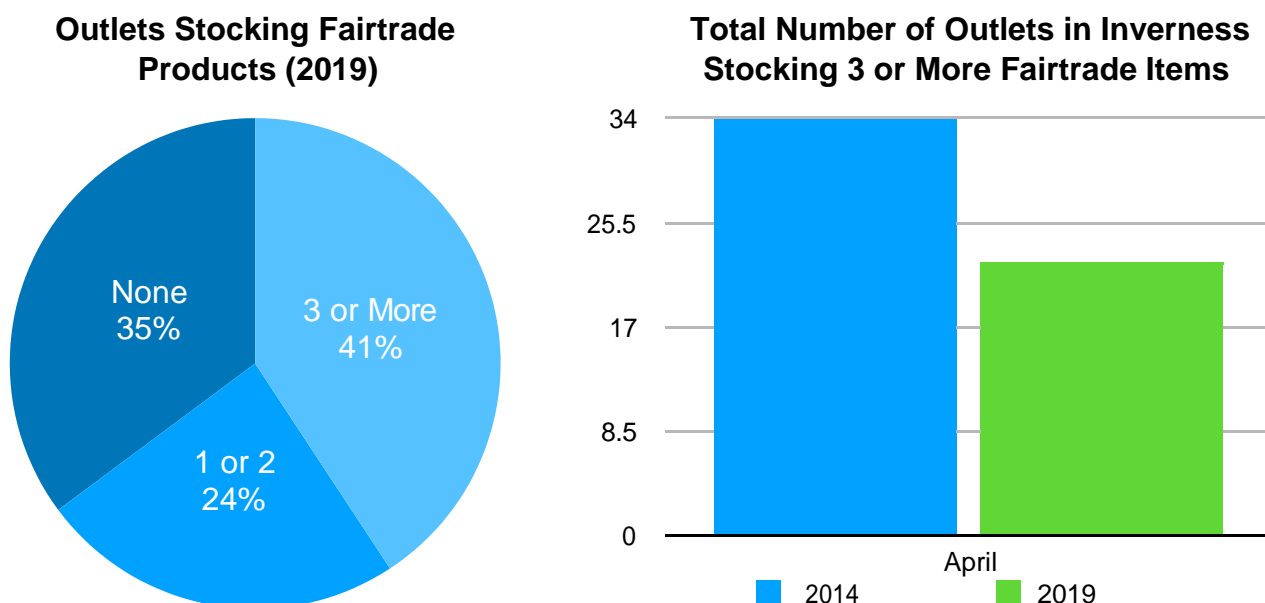
This research was made possible thanks to generous funding from the Co-operative Community Fund.

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<sup>6</sup> <http://www.ecolabelindex.com/ecolabels/>

## Fairtrade Availability in Inverness

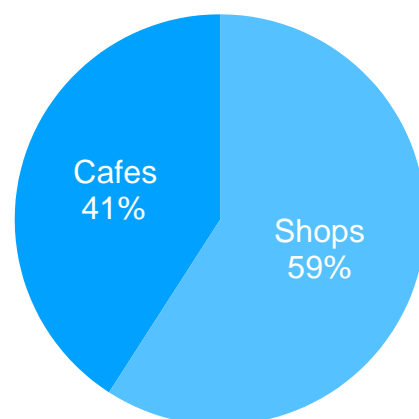
59 outlets were approached to find out how many Fairtrade products were stocked in Inverness, and which ones. Out of the 59 outlets, only 22 stocked 3 or more Fairtrade products; 13 stocked only 1 or 2; and 24 (over a third) didn't stock any at all. In 2014, it was recorded that a total of 34 outlets stocked 3 or more Fairtrade products, resulting in a slight decline in the total number of places where Fairtrade can be found in Inverness.<sup>7</sup>



Out of the 22 outlets that stocked 3 or more Fairtrade products, five of these were outlets that had not previously been listed in the Inverness Fairtrade Guide. However, three of these had only opened after the last guide had been published.

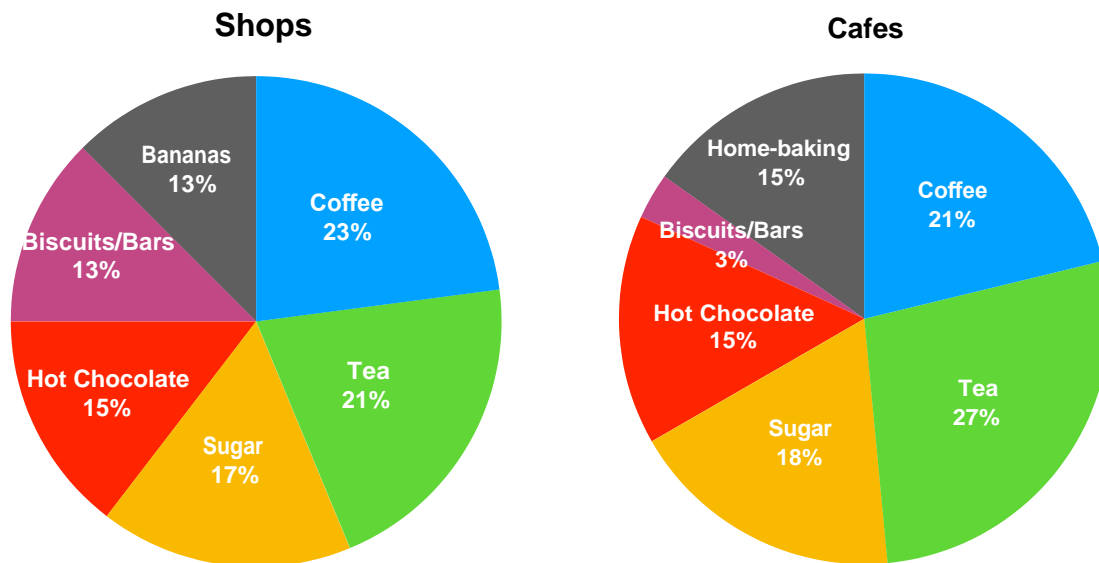
### ***Outlets that Stock 3 or More Fairtrade Products***

Out of the outlets that stocked 3 or more Fairtrade products, there were more shops than cafes, totaling 13 and 9 respectively. This suggests that in outlets where a wide range of products is available, Fairtrade still performs well. However, when an active choice needs to be made about a brand, such as in a cafe, then Fairtrade products may prove less popular.



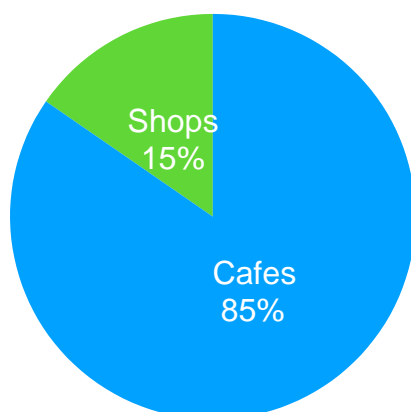
<sup>7</sup> The total number of outlets approached in 2014 is not currently available, therefore a general conclusion as to the percentage of this decline is not possible.

In both cafes and shops that stocked 3 or more Fairtrade products, the majority of items stocked were coffee (18); tea (19); hot chocolate (13); and sugar (13). These figures roughly correspond with those at the time of the previous guide in 2014.



This suggests that for those who are committed to stocking Fairtrade ingredients, coffee, tea and sugar are still the most popular products. They are also, however, some of the most accessible items for both cafe and shop owners. The relatively low number of shops that stock bananas is largely due to the fact that only a small proportion of the shops that stock any Fairtrade products stock any bananas at all. In Inverness, 6 out of the 8 shops stocking bananas carried Fairtrade ones.

### ***Outlets that Stock 1 or 2 Fairtrade Products***



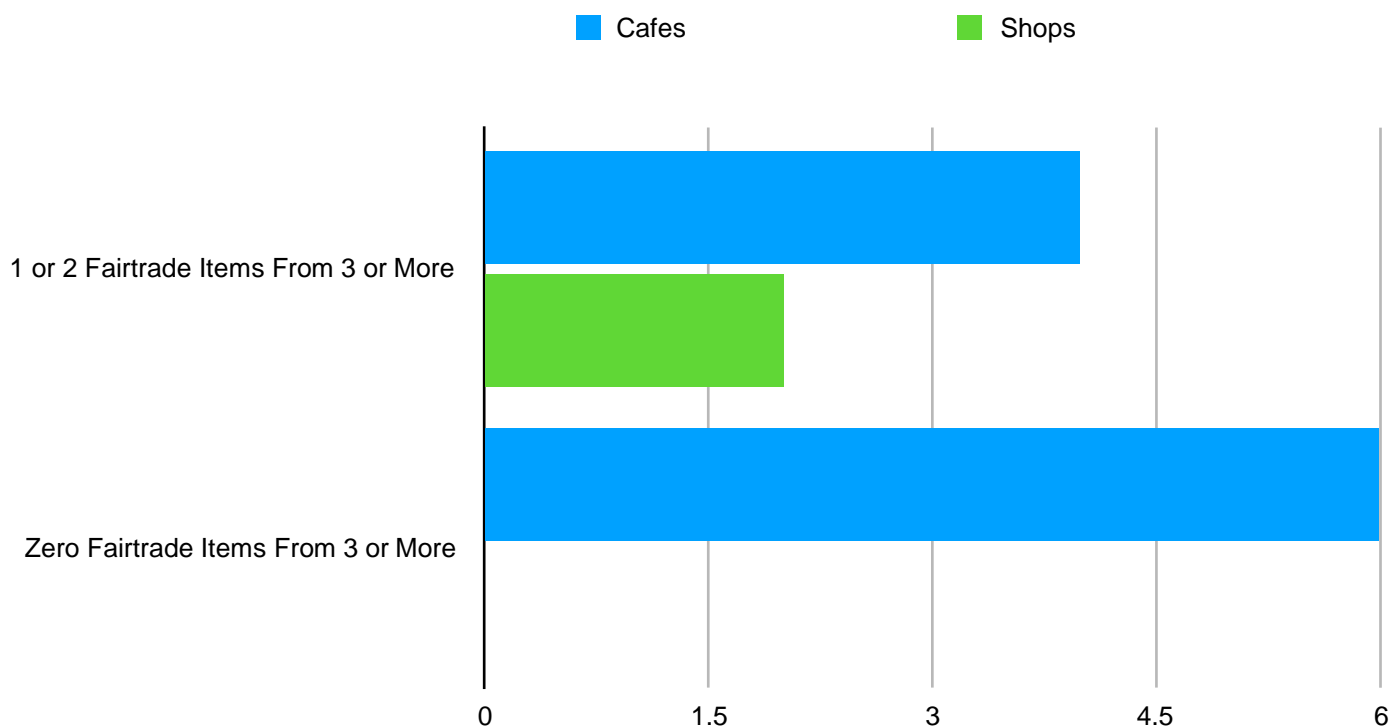
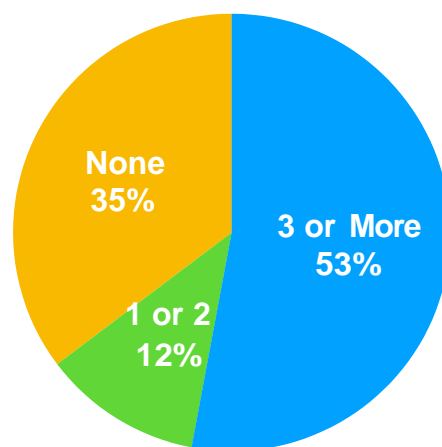
However, the case is quite different for outlets that only stock 1 or 2 Fairtrade products. Out of the thirteen outlets in this category, the vast majority were cafes (11). This may reflect the fact that if a shop has chosen to stock Fairtrade products, they are more likely to stock a range, whereas cafes may use different suppliers for different items.

## Outlets that Have Reduced Fairtrade Products

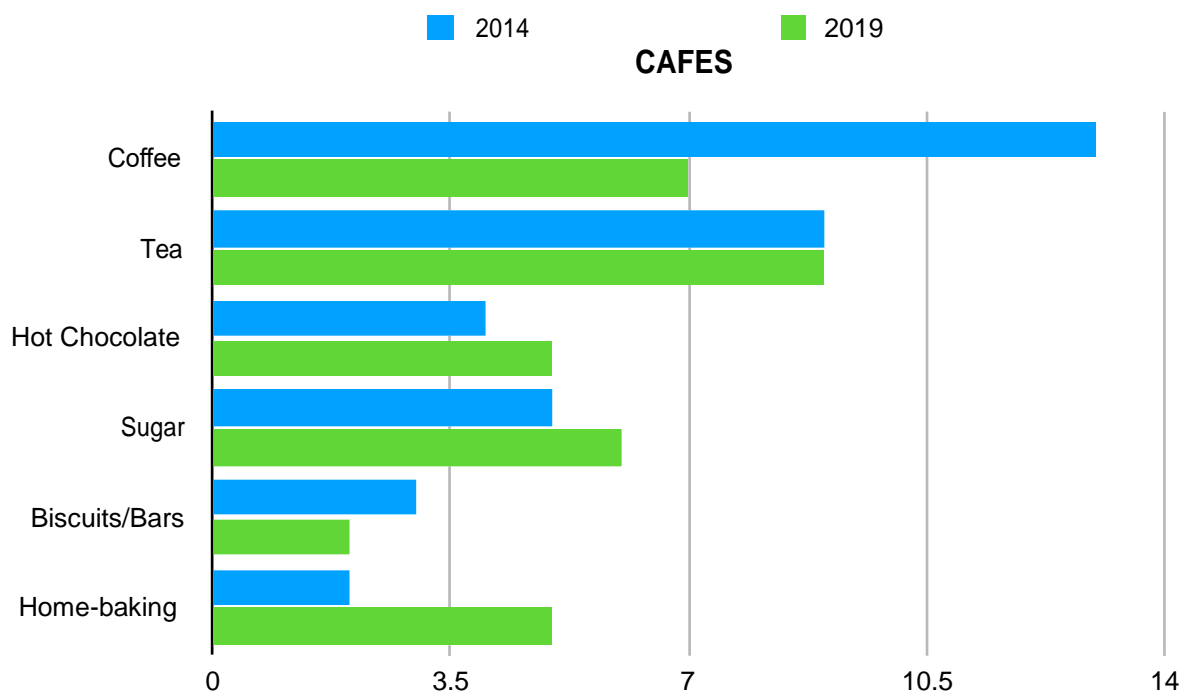
Out of the 34 outlets that had initially been in the guide, 12 of them had significantly reduced their Fairtrade items: 4 of these now only stock 1 or 2 items and 8 no longer stock any at all (having previously stocked 3 or more). 2 of these were shops, and 6 were cafes. One of these cafes had closed since the last guide came out.

This again reiterates the argument that it is in cafes, where stricter choices have to be made between different brands, that Fairtrade is making the most significant losses in Inverness. There were no examples of shops that had gone from stocking 3 or more Fairtrade products to none at all.

No. Of Fairtrade Products in Outlets That Had Previously Stocked 3 or More

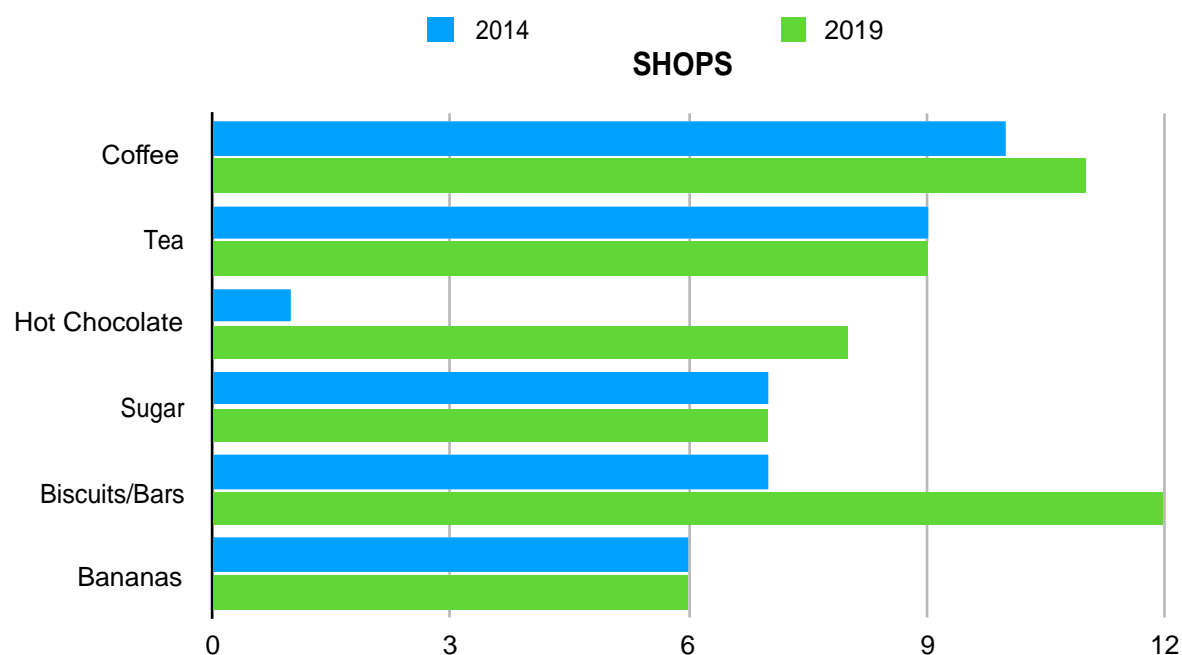


Furthermore, in this category, we can see that it is overwhelmingly Fairtrade coffee that has been replaced by other brands, especially in cafes. This corroborates the findings from the qualitative stage of the research that coffee is fairly representative of general attitudes towards Fairtrade.



The fact that the presence of Fairtrade sugar, hot chocolate and home-baking have gone up in these categories is a positive sign.

However in shops where there is more of a range of products available, Fairtrade coffee, hot chocolate and biscuits/bars have increased their presence.



We can conclude from these findings, then, that there is a general trend for cafes in Inverness to reduce the number of Fairtrade products available, and that it is coffee that is most significantly being replaced by other brands.



# General Attitudes Towards Fairtrade in Inverness

59 outlets in Inverness were invited to take part in a brief interview about attitudes towards Fairtrade. Out of those approached, the managers and owners of 30 cafes and shops agreed. The interviews were designed to find out why outlets did or did not stock Fairtrade products, and to get a sense of their general attitudes towards Fairtrade & trade justice within the context of the wider ethical landscape. These questions included possible financial outcomes of stocking Fairtrade products; potential customer feedback; and the outlet owner's own opinions about trade justice and other ethical issues.

**“Fairtrade was the buzzword a few years ago but not anymore.”**

The initial reaction of most interview participants was that fair trade wasn't an issue that they had thought about, or heard customers mention, for several years. As one shop manager said, echoing many others, “Fairtrade was a buzzword a few years ago but not anymore.” Though almost all agreed that it was still a relevant issue, most respondents acknowledged that other ethical issues appeared to now be of higher concern to customers and/or outlet owners.

Responses to the interview questions varied widely and it was clear that many outlets had spent a great deal of time trying to make sense of the ethics involved in stocking certain products, and had made informed decisions based on their own research, as well as the demands of their customers. Nevertheless, some general attitudes were widespread amongst respondents and can go some way to explaining the relative decline in stocking Fairtrade products in Inverness over the past five years, as briefly outlined above. These responses have been broken down into the following themes which will be discussed below: environment, supporting local, label confusion and fair trade debates.

The researcher also conducted a survey amongst a select group of consumers at the University of the Highlands and Islands Inverness College's Fresher's Fayre. Though the study was limited in sample size, the conclusions generally matched the themes that arose from discussions with cafe and shop managers. For more information about both qualitative studies, please contact the Inverness Fairtrade Group to read the full report.

## ***Environment***

While there were many establishments in Inverness who maintained a strong commitment to stocking Fairtrade products, for other outlets different ethical concerns seem to override previous decisions to stock Fairtrade. In particular, environmentally framed products proved to be making the largest inroads in the number of places where Fairtrade products were previously stocked. This was certainly the case for coffee, as several

places had replaced their Fairtrade coffee with that certified by Rainforest Alliance. Following the most recent large-scale fires across the Amazon, choosing Rainforest Alliance certified products has been touted as one of the ways individuals could make a difference.<sup>8</sup> For other products, owners frequently cited customer demands for organic and vegan products as being a motivator for the reduction of Fairtrade items. This didn't necessarily result in a like-for-like swap, but at times was apparent in a change in emphasis on certain types of products that more openly announce concern for the environment in their methods of production.

**“There are many aspects to environmentally fair products. When it comes to organic, packaging free, zero waste and low carbon footprints, Fairtrade often gets lost in that.”**

At a time when human driven changes to the climate are finally being recognised as an emergency, many organisations and businesses are now taking a much finer tooth comb to the environmental impact of all business decisions. As one cafe manager said, “There are many aspects to environmentally fair products. When it comes to organic, packaging free, zero waste and low carbon footprints, Fairtrade often gets lost in that.”

The debate about what exactly is the most environmentally friendly option is a complex one and there is a risk of simplifying the problem by pitting one environmental factor against another. For example, Fairtrade products are often criticised for the amount that they have to travel to reach

consumers in the UK. However, apart from the fact that most Fairtrade products cannot be grown in the UK anyway for climatic reasons, reducing the environmental problem to air miles alone is misleading. Instead, it is usually recommended to take account of the overall carbon footprint of the consumption of a given product. For example, it has been argued that the largest amount of carbon released from drinking one cup of tea comes from the act of boiling the kettle.<sup>9</sup> What's more, issues such as packaging and waste do not isolate Fairtrade as these are issues which need to be tackled throughout the food industry.

It is clear then that all areas of society must actively reflect on how their activities can reduce an impact on the environment. Though the Fairtrade Foundation can evidently do more to improve this impact, they argue that the climate revolution must be a fair

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<sup>8</sup> Several reports about the fires advertised Rainforest Alliance products, such as this: <https://www.theguardian.com/environment/2019/aug/23/amazon-fires-what-is-happening-anything-we-can-do>

<sup>9</sup> <https://www.fairtrade.org.uk/~media/FairtradeUK/What%20is%20Fairtrade/Documents/Policy%20and%20Research%20documents/Environment%20reports/Why%20the%20climate%20revolution%20must%20be%20a%20fair%20revolution.pdf>

revolution. One way in which the Fairtrade Foundation seeks to address this is by promoting cooperative principles and small-scale farming, a model which is far more ecologically sustainable than the monocultural techniques adopted by the giants in the food industry. Moreover, the Fairtrade Premium, an additional sum of money awarded to cooperatives, usually allows farmers and producers to invest in more environmentally sustainable production techniques.

The debate about climate change and the food industry is a complex one and it would be too simplistic to suggest that social and environmental justice are mutually exclusive. During the interviews in Inverness, most respondents agreed that the two issues should be tackled side by side. Nevertheless, many establishments appear to be registering the existence of some kind of 'ethical hierarchy', where products that are seen to actively support the environment are given priority over brands which foreground other ethical concerns, even if they themselves are environmentally aware products such as Fairtrade.<sup>10</sup> These conclusions were backed up strongly by the consumers who took part in the general survey at the Inverness College.

As the climate crisis is now being publicly recognised as one of the most important issues of our time, it seems that stocking products which are easily identifiable as 'environmentally friendly' may add symbolic capital for certain organisations and businesses to show that they are 'doing their bit', otherwise known as 'greenwashing'. Just as fair trade may have been the ethical concern *de jour* a few years ago, encouraging outlets to stock Fairtrade products when they might not have otherwise thought to do so, products which are avowedly concerned with the environment may now be seen as a more attractive choice for businesses which seek to present themselves as ethically minded. It is clear, then, that a wider understanding of the links between environmental and social justice must be made and that the Fairtrade Foundation's call for a climate revolution that is fair must be better promoted.

### ***Supporting Local***

A similar process appears to have happened concerning the desire to support local businesses, something which in many cases also appears to sit higher up than Fairtrade in certain presumed ethical hierarchies. Efforts to support local businesses are gaining traction globally, as a means of countering the dominance of retail giants such as Amazon. However, this issue is of particular significance in the Highland region where rural lifestyles are often reliant on online shopping, and where higher postal costs put pressure on local businesses to compete with online sales. For several years, supporting local has been one of the primary manifesto points for local politicians.

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<sup>10</sup> Not only are several Fairtrade products also organic, but the model which the Fairtrade Foundation operates on can also be seen as an environmentally sustainable one. For example, the priority given to small-scale farmers and cooperatives relies on much more globally sustainable land usage, and the 'Fairtrade Premium' often allows communities to invest in environmentally friendly systems.

When asked whether outlet owners believed that “stocking Fairtrade products makes a difference globally *and* locally”, most felt that the two principles could in theory work hand-in-hand, in line with the Fairtrade Foundation’s slogan *think global, act local*. However, once again outlets appeared to vote with their choice of suppliers and had frequently replaced Fairtrade products with ones supplied by local businesses.

Much like the economic impact of stocking items which promote themselves as being environmentally friendly, it seems as stocking items which are in some way produced in Scotland, such as locally roasted coffee, can be a further way of gaining symbolic (and social) capital. This appears to be particularly significant for shops and cafes in Inverness which now has a booming tourism industry. One shop manager explained that products which are labelled as being produced in Scotland, or even more locally, can appear more appealing to tourists in search of local flavour.

**“For tourists, locally produced products are just far more appealing.”**

However, once again the desire to support local businesses *and* trade justice do not have to be mutually exclusive. Given that most Fairtrade products, such as coffee, cannot be grown in the UK there could be room for partnerships between the two causes, where local coffee roasting companies, for example, source their beans from Fairtrade cooperatives. However, the majority of such businesses have chosen to operate on a ‘direct trade’ basis, seeking out business relationships directly with farmers or producers. The pros and cons of direct trade versus Fairtrade is just as complex as the issue of what makes a product environmentally friendly. For more information, please contact the Inverness Fairtrade Group to read the full report which delves more deeply into this subject. What is clear, however, is that supporting local and supporting trade justice need not be mutually exclusive issues and that more should be done to link the two causes.

## ***Label Confusion***

For other outlets, it was less a sense of ethical hierarchy, but one of confusion. When approached to see if cafes or shops stocked Fairtrade products, many owners happily declared that they did. On closer inspection, the products turned out to be certified as Rainforest Alliance instead. Once again, this was predominantly the case with coffee products. This may suggest a misunderstanding of what makes Fairtrade certified products unique, and that any ethically labelled product would naturally fall into the ‘fair trade’ category. This conclusion would suggest that the Fairtrade Foundation was simply a pathfinder within the ethical market, and has now been superseded by other ethically framed brands. This is perhaps why some people see Fairtrade as being less relevant in today’s world.



**A minimum of only 30% of the ingredients used in products certified as Rainforest Alliance are required to meet their standards.**

It is not uncommon for Fairtrade and Rainforest Alliance to be confused. Both organisations understand social and environmental justice as being component parts of sustainable agriculture, and indeed both were founding members of ISEAL Alliance, the global membership organisation for credible sustainability standards. There is therefore obvious overlap between the two models, and in many cases they complement each other well, notably for 'triple certified' products which are Fairtrade, Rainforest Alliance and Organic. However, there are significant divergences between the two models and both organisations highlight these differences on their websites.<sup>11,12</sup>

The primary difference is the area of focus where ethical practices are sought or encouraged. For Rainforest Alliance, it is chiefly a matter of promoting forestry conservation and agroforestry, where crops and trees are planted side by side. Social justice is seen as a bi-product, where such sustainable models are encouraged to ensure a living wage, a reduced gender gap, and better working conditions. Their standards are merely described as a 'sustainability roadmap' which they encourage companies and farmers to follow.

For Fairtrade, however, social justice is the primary focus. Historically unjust trade rules, often a legacy of colonialism, are tackled by ensuring farmers a guaranteed fair price, always higher than the market average and not dependent on the boom-bust fluctuations of the market as a result of climatic impacts on crops yields and global demand. The Fairtrade Premium is an additional sum of money which is channelled back into communities who are able to invest it in social projects, such as educational bursaries, medical initiatives, and clean-water infrastructure.<sup>13</sup> While it is always the farmer co-operatives who decide how that money is to be invested, some products such as quinoa require a certain percentage of it to be invested in environmentally sustainable projects.

The scope of Fairtrade and Rainforest Alliance certification also differs. Products with the regular Fairtrade Mark guarantee that 100% of ingredients that *can* be fairly traded meet the Fairtrade Foundation standards. The Fairtrade Foundation has also released a new 'Fairtrade Sourcing Program' for products where only one ingredient is Fairtrade approved, such as cocoa, sugar or cotton. Products in this range carry an alternative logo which details the particular programme it falls under, guaranteeing that the ingredient in question is 100% Fairtrade certified. This has allowed the Fairtrade market to be opened

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<sup>11</sup> <https://fairtradewales.com/fairtrade-vs-the-rainforest-alliance>

<sup>12</sup> <https://www.rainforest-alliance.org/faqs/difference-rainforest-alliance-certified-fair-trade-utz>

<sup>13</sup> This sum of money is calculated as a percentage of the volume of produce sold. It differs from product product and is adjusted according to local inflation. See more at: <https://www.fairtrade.org.uk/What-is-Fairtrade/What-Fairtrade-does/Fairtrade-Premium>

up to the likes of chocolate giants such as Mars.<sup>14</sup> For Rainforest Alliance certified products however, only a minimum of 30% of the product's ingredients are required to meet their standards. This means that for a bag of Rainforest Alliance coffee, it might be that only 30% of the beans are sustainably and ethically sourced.<sup>15</sup>



**100% of the ingredients listed as Fairtrade meet the Foundation's standards, even if that is only one ingredient.**

Finally, a major difference can be seen in the different economic models approached by the two organisations. Rainforest Alliance seeks to empower farmers, partly through training them in conservation practices, with the aim of introducing them into bigger markets. This can perhaps be seen as a more neoliberal approach, focusing on individual farmers whilst leaving the market structures intact. While Fairtrade also operates within the existing market system, it seeks to address the historically unequal trade rules by giving producers more say in their economic involvement, through cooperatives, and by ensuring that they are guaranteed a fair price in spite of the odds that are globally stacked against them. Fairtrade International also lobbies governments to address the trade rules which lead to an unfair market system in the first place.

Though there are clearly many areas where Fairtrade and Rainforest Alliance can work hand-in-hand to promote both social and environmental sustainability, the two function on different levels, something which is often misunderstood by both retailers and customers alike. Rather than being synonyms for each other, they offer two differing models: Rainforest Alliance focusses on crop *management* to address local environmental concerns (such as the Amazon Rainforest), while Fairtrade puts its efforts into directly challenging political and economic structures that have a more global impact on social inequality as well as environmental sustainability.

Though both address serious issues and overlap in significant ways, each has its own merits and should not be confused. Though it is clear that the increase in ethical consumerism has in many cases led to 'label fatigue', where consumers have perhaps had enough of scrutinising every label, it is clear that there is also 'label confusion' where the differences between different ethical approaches is not clear enough.

As such, the Inverness Fairtrade Group has also produced a brief guide to the main different ethical labels which can be found on products in Inverness, explaining the similarities and differences between. This could go some way to helping consumers make more informed choices about their ethical shopping habits. See the "What's in a Label?" report in appendix.

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<sup>14</sup> This can be seen as something of an ethical competition, as the chocolate brand Galaxy uses cocoa which is Rainforest Alliance certified.

<sup>15</sup> All Rainforest Alliance products must label the percentage of ingredients which meet these standards and many do in fact exceed 30%.

## Conclusions and Recommendations

The decline in the popularity of Fairtrade products in Inverness is clearly not a unique phenomenon across the UK. The rise in ethical consumerism has led to an increase in companies seeking to exert their sustainability credentials, and the UK now boasts over 460 logos which claim to promise some kind of sustainability.<sup>16</sup> This could possibly be seen as genuine ‘waking-up’ of businesses and consumers as to the impact that production, trade and consumption has on different aspects of life on the planet. However, in some cases this could be interpreted as a “corporate take-over of fair trade”, or ‘greenwashing’ as others might put it.<sup>17</sup> As a Guardian article states, “a company today can launch its certification logo into the large ocean of labels, confident that most shoppers will not know what the logo guarantees, but that it will nonetheless salve their consciences”.<sup>18</sup>

That consumers may be suffering from so-called ‘label fatigue’ should therefore be of little surprise, and in such a competitive ‘ethical market’, Fairtrade is likely to suffer. This can either be due to a growing sense of complacency towards what might be seen as ‘old-news’ ethical concerns, such as fair trade, or a sense of hierarchy amongst different certification schemes such as those that actively promote the primary ethical concern *de jour*: climate change. Increased demands to promote local businesses appear to have made similar inroads into the Fairtrade market.

This clearly needs to be a much more well informed debate. Though several certification schemes overlap, there are also some crucial differences and consumers could benefit by being more critically informed. For this reason, the Inverness Fairtrade Group has commissioned a secondary guide which briefly explains how the different certification models work. Not only could this be a useful guide for consumers, and could be placed in shops that carry a range of differently certified goods, but it could be a useful tool for encouraging other outlets to stock Fairtrade and help shape a more informed discussion about the ethics behind different types of trade locally.

Similarly, the Inverness Fairtrade Group will continue to be involved in educational and outreach projects that help explain the unique position that Fairtrade takes amongst other ethical consumables and promote a climate revolution that is fair for all life on this planet.

Finally, there are things that both retail owners and individual consumers can do, as outlined below.

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<sup>16</sup> <http://www.ecolabelindex.com/ecolabels/>

<sup>17</sup> <https://www.theguardian.com/business/2019/jul/23/fairtrade-ethical-certification-supermarkets-sainsburys>

<sup>18</sup> Ibid.

## **Retailers:**

- Familiarise yourself with the different ethical labelling categories, and what they stand for, when making stock decisions;
- Put up signs to identify and promote Fairtrade products in shops and cafes. These can be supplied by the Inverness Fairtrade Group;
- Display the Ethical Label Guide explaining the difference between different ethical brands;
- Display a selection of leaflets explaining what Fairtrade is and why it is important;
- Take part in Fairtrade Fortnight to help promote Fairtrade products around Inverness.

## **Consumers:**

- Familiarise yourself with the different ethical labelling categories, and what they stand for, when making purchases;
- Identify Fairtrade items that you can buy regularly and look for a local source or request that your local supplier stocks them;
- Seek out the Inverness Fairtrade Guide and Ethical Label Guide, produced by the Inverness Fairtrade Group;
- Sign up to the Inverness Fairtrade Group mailing list to hear about upcoming events around Inverness;
- Consider volunteering during Fairtrade Fortnight and contact the Inverness Fairtrade Group for other ways to get involved.



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# Appendix



**What's in a label?**

**The Fairtrade Mark** is a registered certification label for products that comply with Fairtrade Standards and is regulated by the [Fairtrade Foundation](#)

In 1992 it became an international standards and certification system, in which producers and buyers agree to uphold certain minimum standards and payments and in return their product can be labelled with a Fairtrade Mark.

### **What does the Fairtrade Mark mean?**

The FAIRTRADE Mark guarantees:

- Farmers are paid a fair and stable price for their products
- extra income for farmers and estate workers to improve their lives
- greater respect for the environment
- small farmers gain a stronger position in world markets
- closer link between consumers and producers

Farmers agree to produce their crops according to certain guidelines:

- minimal pesticide use
- ensuring that workers are paid adequately

### **What is the difference between Fairtrade and Fair Trade?**

Both aim to address the injustices of conventional trade, which traditionally discriminates against the poorest, weakest producers. Both work towards a vision of building a better future for people and planet.

**‘Fairtrade’** is the registered trademark of the Fairtrade Foundation, that has developed its own robust criteria for awarding and monitoring its use on products. It is part of the wider network of Fair Trade Organisations.

**‘Fair Trade’** is a general term for any group, association, enterprise or organisation that adheres to the 10 Principles of Fair Trade, as agreed by the World Fair Trade Organisation:

1. Creating Opportunities for Economically Disadvantaged Producers
2. Transparency and Accountability
3. Fair Trading Practices
4. Payment of a Fair Price
5. Ensuring no Child Labour and Forced Labour
6. Commitment to Non Discrimination, Gender Equity and Freedom of Association
7. Ensuring Good Working Conditions
8. Providing Capacity Building
9. Promoting Fair Trade
10. Respect for the Environment

## Why are there different signs and symbols?

Fair Trade grew out of a series of campaigns and social enterprises, spanning well over a century and many different corners of the globe. The term 'Alternative Trade' was more commonly used until the 1970's.

Before international standards were established, it was up to each group to design and use their own symbol or mark of recognition.

The following brands have had a significant role in the UK Fairtrade Movement:



But there are many alternative symbols around the world, such as the following European symbols:



## Brief History of landmarks in the development of Fairtrade.

1946, USA: Self Help Crafts created outlets for Puerto Rican needlework

1958, USA: first Fair Trade shop opened

1950's, UK: Oxfam shops sold Chinese refugee crafts

1964, UK: first Fair Trade Organisation (known then as 'Alternative Trade')

1969, Netherlands: first World Shop opened

1988, Netherlands: first Fair Trade Mark created as 'Max Havelaar'

1989, Netherlands: The World Fair Trade Organization (WFTO) established

1992, Global: Fairtrade Labelling Organisation established

2004, Global: World Fair Trade Organisation Fair Trade Mark launched

## Who monitors the Fairtrade Mark?



**Fairtrade International (formerly known as FLO, Fairtrade Labelling Organisation)**

Fairtrade International is the organisation that coordinates Fairtrade labelling at an international level. Its standards are designed to tackle poverty and empower producers in the world's poorest countries.

Fairtrade encompasses social, economic and environmental standards for both companies and farmers. For farmers and workers the standards include protection of workers' rights and the environment, for companies they include the payment of the Fairtrade Minimum Price and an additional 'Fairtrade Premium' to invest in business or community projects of the community's choice.

**Fairtrade International** independently checks that these standards have been met by the farmers, workers and companies that are part of products' supply chains.

**Fairtrade International** also helps producers gain Fairtrade certification and develop market opportunities. Locally based Liaison Officers provide training, guidance on certification and facilitate relationships with buyers.

## Making it clear for us as consumers



**The Fairtrade Foundation** licences the use of its own registered Fairtrade Mark on all products within the UK that comply with the agreed standards.

**The Fairtrade Foundation** encourages national retailers to stock Fairtrade products and consumers to seek out and commit to buying Fairtrade products.

**The Fairtrade Foundation** campaigns for Trade Justice (social and environmental) and encourages active membership and partnership working.

## What about other Fair Trade symbols?



**The World Fair Trade Organization (WFTO)**, is a global association of 401 organizations who are committed to improving the livelihoods of economically marginalised producers. It was created in 1989.

Parallel to the development of labelling for products, the World Fair Trade Organization (WFTO) developed a monitoring system for Fair Trade Organizations. In order to strengthen the credibility of these organizations towards political decision-makers, mainstream business and consumers, the WFTO Fair Trade Organization Mark was launched in January 2004. The Mark was available to member organizations that met the requirements of the WFTO monitoring system and identifies them as registered Fair Trade Organizations. Today, WFTO uses the Guaranteed System to verify its member organisations and award the WFTO label.

Unlike the Fairtrade Mark, the WFTO label doesn't guarantee a certified product, but signifies that a company is making efforts to improve working conditions in its supply chain.

In 2011, the membership of the WFTO decided to develop a new type of Fair Trade system to meet the ever-growing demand for a more trustworthy Fair Trade recognition scheme in the international market.

Developed by a group of experts in the field of Fair Trade monitoring and verification, the major aspects in the development of this 'Guarantee System' (GS) were credibility, sustainability and robustness.

This is a short video by WFTO:



## What is the Guarantee System?

The Guarantee System was approved and implemented by the WFTO Membership in May 2013. It comprises:

- new membership admission procedure
- Self-Assessment Report
- Monitoring Audit
- Peer Visit
- Fair Trade Accountability Watch (a participative monitoring mechanism that allows the public to report compliance issues regarding Fair Trade Organisations)

The primary goal of the GS is to improve Fair Trade practices in the supply chain. It is an accountability and development tool for organisations. Carrying out all the components allows WFTO members to be more competitive and responsive to evolving markets thereby creating the potential for increased sales.

The GS is not a product certification system. It is an assurance mechanism that Fair Trade is implemented in the supply chain and practices of the organisation. Members that passed the GS process attain the 'Guaranteed Fair Trade Organisation' status and may use the WFTO Label on their products.

## Who monitors the Monitors?



The Fair Trade International Symposium (FTIS) is the leading global gathering for scholars, practitioners and policymakers working on Fair Trade.

The FTIS takes the form of a regular, large-scale conference event that gathers interested parties from all across the world in order to showcase the latest and highest quality research undertaken in the area of 'Fair Trade'. It aims to bring together both the world's leading and newly emerging academic researchers, along with practitioners, policymakers and the general public, for the development and consolidation of collective knowledge on the subject of Fair Trade.

## More ethical symbols:



The Rainforest Alliance Certified™ seal is awarded to farms, forestlands and tourism operations that meet the rigorous criteria of the Rainforest Alliance Sustainable Agriculture Standard, the Forest Stewardship Council®, or the Sustainable Tourism Standard certified by NEPCo.

The following standards must be met in order to gain approval to use the seal:

- Sustainable Agriculture Standard certification
- FSC® Forest Management certification
- FSC® Chain-of-Custody certification
- Sustainable Tourism standard for certification of hotels and lodging services
- Sustainable Tourism Standard for certification of tour operators

Rainforest Alliance Certified™ farms are better and safer places to live and work. We train farmers around child labour laws and promote gender equality and non-discrimination. In addition, we want to improve livelihoods for farmers and workers by working towards a living income and a living wage.

Rainforest Alliance Certified farms are also better for the planet and more sustainable in the long term. This is because certified farmers must protect natural resources and the environment. They use land, water, and energy carefully. Certified farmers use fewer artificial fertilizers and pesticides, prevent pollution, and manage waste. They learn how to preserve forested and protected areas, which in turn supports plants and wildlife. Finally, farmers and farm workers are also trained to use climate-smart farming methods and adapt their growing practices to the effects of climate change.

## **Fairtrade: environmental issues**

<https://www.fairtrade.org.uk/What-is-Fairtrade/Fairtrade-and-sustainability>

**How green is Fairtrade? Video made by Bristol Fairtrade Group:**

<https://www.youtube.com/watch?v=gG3fd1Jg7Jk>