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For a long time, the principle of a North-South relationship has been viscerally anchored in the DNA of fair trade.

Workers in the South offered and offer their products to consumers in the North who pay a fair price for their labour. This North-South relation is a result of both the concept’s history and of its values.


THE FOUNDATIONS OF FAIR TRADE, A NORTH–SOUTH RELATIONSHIP

> BRIEF HISTORICAL BACKGROUND

The representatives of Southern countries forcefully affirmed the will and pride of third world countries at the 1964 United Nations Conference on Trade and Development (UNCTAD): they did not want pity and would not content themselves with merely being passengers in their own development. They would direct its progress, holding high their battle flag "Trade not Aid".

Refusing limited aid from the countries of the North, the representatives of the Southern countries emphasised trade and demanded real commercial policies that would open up markets in countries in the North.

Trade became a "tool for development", for emancipation. Magasins du monde shops appeared quickly in Belgium starting in 1971; there were 120 two years later. The movement spread across all of Europe.

Max Havelaar started the fair trade label era in 1988. Its logo guarantees consumers that fair trade principles have been complied with during production. At the same time, fair trade gained a place on supermarket shelves. Sales took off.

The end of the millennium saw the international structuring of fair trade and the emergence of umbrella organisations. FLO (Fairtrade Labelling Organizations International), one of the most important among them, was created in 1997.

The retail sector, discovering a niche market and/or a sense of ethics, embraced the concept and created its own quality brands. And to a lesser degree, many SMEs in various commercial activities (fashion, groceries, travel, handicrafts, etc.) adopted the fair trade philosophy without actually having recourse to labels or advertising the fact. [1]

In 2008, in the midst of the global recession, labelled fair trade recorded an increase of 22% in turnover, reaching 2.9 billion euros worldwide. These products are produced by 746 certified organisations representing over 1 million workers in 58 countries. Taking into account indirect impacts, five million people benefit from this type of trade. [2] Fair trade is a success from both the commercial values and market standpoint.
Fair trade operators have agreed a definition of their cooperation:

"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, marginalised producers and workers – especially in the South. Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, raising awareness and in campaigning for changes in the rules and practices of conventional international trade."

This type of trade is marked by its social, economic, and environmental criteria. Producer remuneration must be fair, cover their needs and those of their families and ensure the right to housing, education and health. Independent producer organisations must be, or must become, democratic, participatory, transparent, and open to new members. Plantations and factories must respect national labour legislation and the basic Conventions of the International Labour Organisation (ILO) with, among other things, union freedom and social security.

However, in addition to these parameters, fair trade promotes values that are in opposition to unbridled commercial competition. It emphasises the redistribution of wealth, collective organisations, and the reinvention of society on democratic, participatory and transparent foundations. For some, it is a starting point for making local producer groups independent, first in production then as citizen collectives.

These fair trade organisations also entail commitment. They have a political dimension because, "on the one hand, they aim at change and, on the other, they rely on active forms of organisation and they involve judgements on the relationships set up by the traditional market." [3]

The North-South relation is not included in this definition. While producers and workers are mainly located "in the South of the planet", consumers, on the other hand, do not appear to have to belong to a particular hemisphere.

*This definition of Fair Trade was established by FINE, which brings together four international fair trade organisations (FLO, WFTO, NEWS! and EFITA)*
Yet, the existence of this relationship with people from other continents has several advantages.

First, it achieves its goal of a voluntary redistribution of the world’s wealth. The "rich" consumers of the North agree to pay a fair price for products in order to properly compensate the marginalised producers of the South. Although this movement is minimal in terms of overall worldwide trade there is, in fact, a transfer of wealth.

Fair trade also sharpens the conscience of consumers. Pointing out that buying certain products enables the payment of a decent salary to workers implies that other products come from the exploitation of cheap labour. This awareness can be a consequence of getting to know a country through its products. Fair trade can also confirm support for causes (Palestine, Tibet) through product purchases. These everyday actions increase solidarity between people.

In the South, fair trade includes social, environmental as well as production and productivity training aspects. European and fair trade requirements lead producers to develop impeccable production practices. The local market also benefits from this knowledge and producers can open up to other demanding markets outside of fair trade.

Lastly, organisations from the North and producers in the South meet for more than just business... Sharing the same values, they campaign together and their combination gives international weight to their political positions. They subscribe to the same "globalisation" claimed by supranational organisations like WTO.
Despite the undeniable contributions of fair trade, perverse and dangerous side effects have appeared.
> VOLUME VS. VALUES?

Fair trade’s success has been one of its main drawbacks and has led to other issues. Since the 1990s, and through “a growth strategy consisting in increasing sales volumes and sales of fair trade products by integrating them in the traditional economic circuit via labelling bodies” [4], fair trade has slid into the currents of world trade. Has it lost itself in it?

The founding values of fair trade such as solidarity and the dynamics of change could be undermined and its criteria reduced, chipped away by commercial demands.

Partnerships in the South also change when demand explodes. Christophe Maldidier of the French association Solidar’monde acknowledges this. [5] “Penetrating the market while controlling it was not easy for the Artisan du Monde network either. It increased the value of its purchases from the South four-fold in ten years. In order to satisfy a new clientele, Solidar’Monde had to reduce and even break its commercial relationship with certain fragile artisan organisations. Larger umbrella organisations reaped the benefit by obtaining their supplies from dozens of associations. New suppliers were also introduced in order to broaden product lines. These changes were not without consequences for the quality and fairness of commercial relationships. For example, market pressure was sometimes transferred to producers in the South: shorter deadlines, the introduction of a certain amount of price negotiations, etc.” [5]

Emblematic of this was the granting to the multinational Nestlé of a fair trade label for Partner’s Blend, one of its coffee lines. This illustrated the tension between the pursuit of financial interests and the social responsibility of those involved. [7] The coffee received its certification from the British arm of the Fair Trade Labelling Organisation (FLO). Oxfam felt that it was a first step in the right direction, although "Partner’s Blend" has not yet been actively marketed. It doesn’t matter, though. Nestlé took a second step with its famous Kit Kat chocolate bar. Since January 2010, the four-fingered snack, made with fair trade sugar and cocoa, has had a FLO logo in Ireland and the United Kingdom. Nestlé does not expect to limit itself to these instances but plans to bring other products under the "fair trade" banner. This prospect does not bring joy to all involved in the sector. Especially because of the multinational’s unethical past and its ridiculously small commitment given its turnover. This turnover is,
paradoxically, one of the arguments used by pro-Nestlé fair traders. Fair trade Kit Kats would impact over 8000 cocoa producers in the Ivory Coast. [8] The prospects for opening up a new market are therefore commensurate with the size of the partner, in this case they are huge. In February 2008, the Swiss giant announced that, for the first time in its history, its revenues had exceeded 100 billion Swiss francs in 2007. [9] However, according to a section of society, the company’s first fair trade product, one among 8000 products, is the ethical tree hiding an unethical forest.

Given fairtrade’s alliance with the retail system and industrialists able to provide high-quality standard products, “it’s clear that those who believe that fair trade has ‘made a deal with the devil’ are not entirely mistaken,” says François Lerin, director of the magazine Courrier de la Planète.

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*One of the most boycotted companies in the world, Nestlé has been accused, among other things, of having run marketing campaigns in Africa for its powdered milk in the nineties using misleading practices which encouraged mothers to stop breast feeding. At the time, according to UNICEF, the use of powdered milk (especially with dirty water) caused a million and a half infant deaths. *The bottle that kills*, Claire Brisset, Le Monde Diplomatique, December 1997*
He then added: "However, it should be pointed out that, without this compromise, fair trade would have continued to be a 'nice' but entirely marginal phenomenon." [10]

Yet, what guarantees does this opening up provide in terms of price setting and the percentage of the sales price going back to local producers, for example? More to the point, is the vision of society implied by the multinationals compatible with the goals of fair trade? Beyond attractive sales prospects, what ethical commitments must be demanded of partner companies? Where does the compromise for a sustainable society end and complicity in creating an unfair world begin?

As the researcher Murat Yilmaz emphasises, there is tension between the logic and goals of operators who continue to claim the inheritance of the third-world movement and insist that an alternative must be found to the capitalist system and those who increasingly defend the idea of integration with the system that will necessarily require adoption of the dominant economic rationale. [11]

> THE NORTH IN CONTROL OF THE SOUTH?

The criticism is regularly made. The fair trade rules are primarily conceived in the North, based on the markets of the North, and on the consumers of the North. The voice of producers in the South was, until very recently, barely heard in the main international certification bodies.

The ensuing "drawbacks" of fair trade are more linked to the principle of mass export than to the principles of fair trade or to its geographical dimensions. Although it must continue to be vigilant, its values and the nature of its partnerships in the South greatly reduce the negative effects mentioned below.

The large volumes involved make the partnerships in the South dependent on the organisations of the North and on the world market. Access to markets and export capacity must go through them. Faced with significant demand, farmers will be inclined to dedicate most of their land to export business. Without food-crop agriculture, their survival depends on selling their production to the North.

> BIODIVERSITY

Attracted by the prospect of export revenues, farmers have an incentive to focus on intensive mono-cultures, which exhaust soils. Crop rotation and fallow fields normally practised to regenerate soils are no longer acceptable as a result of the productivity demands of the North. Biodiversity is also impacted by the fact that the retail trade seeks to unify tastes. Anyone wanting to have a spot on store shelves has to avoid increasing the number of varieties of tomatoes, carrots, or local crops they grow.
SOUTH–SOUTH FAIR TRADE

It would be wrong to reduce fair trade to North-South relationships although this is still the dominant pattern of trade. Tristan Lecomte and Céline Girard [12] point out that “fair trade organisations (…) also organise and encourage food-producing crops and sales in local markets. The development of local sales is very complementary to exports for a producer organisation. It creates the sale of sub-products, products of quality for the local market and, generally, diversification of the organisation’s sales. A large number of cooperatives process and sell very targeted local products produced by members for local markets. They also consume these products themselves and encourage the redeployment of a variety of native species.”

Are relocating the economy and fair trade natural allies? “Absolutely,” says Tristan Lecomte, founder of Alter Eco “these two concepts follow the same line of development and encourage food producing sovereignty.”

> THREE SOUTH–SOUTH RELATIONSHIPS: LOCAL, REGIONAL, INTERNATIONAL

What are South-South relationships?

Three types of trade can be defined from a geographical standpoint.

First, trade between two very distant southern countries, such as the sale of fair trade products from Senegal in Vietnam. When South-South trade is mentioned in this publication, it does not refer to this type of long-distance international trade more similar to North-South trade.

Second, there is South-South trade between two relatively close regions or countries, that is, (semi-) short fair trade circuits in developing countries. Many producer organisations in the South have combined efforts to create structures able to coordinate national initiatives and become political and commercial operators on a continental scale.

Lastly, “South-South” can also mean trade developed on a small to medium geographic scale. It aims to promote local or regional initiatives and to develop regional independence (food, energy, commodities, etc.).

Developing short distance South-South fair trade means encouraging a relocation of the economy.
WOULD NORTH–NORTH FAIR TRADE MAKE SENSE?

For the supporters of North-North fair trade, it’s quite clear: fair trade is less a North-South relationship than a struggle between small producers and mega-size industrial structures. In a joint press release, organisations of the South and the North [13] confirmed that: "Enabling the farmers of Burkina-Faso or Peru to live decently is very important but should not hide the need to ensure payment for over-time hours worked by those who pick fruit and vegetables in the Bouches-du-Rhône (…) ." 

The Mouvement d’Action Paysanne (MAP), which brings together about sixty small Walloon producers, agrees: "The WTO, the World Bank and the IMF promote unfair trade. The effects are also devastating in northern countries: the disappearance of a farmer per minute in the European Community, threats to the multi-functionality of agriculture, etc. For the MAP, it is therefore a matter of integrating local (“short”) agricultural channels in the North into the fair trade concept as quickly as possible.

Two principles should guide this work which is also legislative in nature: food sovereignty and economic cooperation." [13] The European Commission has already delivered its opinion on the matter: The concept of fair trade is not directly relevant to goods produced in the European Union where social and environmental standards are already part of the legislation.[14]

The fair trade operators are, in any event, sceptical about North-North trade. Without minimising the difficulties of the working conditions of craftsmen and farmers in industrialised countries they are, in fact, less harsh than in the South and the possibilities for action via existing organisations (unions, consumer associations, political parties, requests for aid, etc.) are greater.[15]
Despite increasing demand from consumers, not all fair trade products find commercial outlets. Cooperatives then turn to local markets. Some move into conventional trade and sell their products more cheaply. However, others try to develop a local fair trade market. In regions or countries where the population is poor, prospects for sales can seem less obvious, especially for trade that calls for a "fair" price, which is higher than average. These local markets in the South could emerge "particularly in countries where the development of a middle class guarantees increased purchasing power." They will also identify the "commercial opportunities created by the tourist market" and target specific points of sale such as "luxury outlets, hotels, institutions and national trade fairs." [16] Somewhat limited in terms of sales outlets? "If just one percent of the Indian population (1.080 billion people!) supported fair trade, the potential for development would be significantly greater than in Europe," responds Arun Raste, former head of the Indian NGO International Resources for Fairer Trade (IRFT).

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**INCREASING RESILIENCE IN THE FACE OF EXTERNAL CRISSES**


The immediate consequence was that, for the 40 most affected countries, all dependent on imports for at least 40% of their food needs, the food bill increased by 37% from 2006 to 2007 and by 56% from 2007 to 2008. In Africa, it increased by 74% from 2007 to 2008. [17]
This increase was impossible for the poorest to deal with. Their already limited budget made it impossible for them to buy even basic foods. Riots by the "empty stomachs" exploded in some thirty countries (all in the South).

What caused this crisis? There are many factors. According to Christophe Golay, Advisor to the United Nations Special Rapporteur on the right to food from October 2001 to April 2008, "If the most affected countries were not dependent on food imports to guarantee the food needs of their people, they could have replaced food imports with local products, which would have been sold in the cities at affordable prices. But this replacement was made impossible by the imposition of structural adjustment programmes from the 1970s onward by the International Monetary Fund (IMF) and the World Bank (WB), which forced countries in the South to liberalise their agricultural sector, eliminate subsidies to small farmers and promote export crops as a source of foreign currency to pay off debt. The withdrawal of states from rural development, under the influence of the international financial institutions, has been one of the root causes of the food crisis."

In fact, depending on the region, some have been better able to deal with the problem than others. Mali, for example, dealt with the crisis better than Senegal. Why? Senegal imports over 60% of its grain whereas Mali produces about 90% of its grain needs. 48% of Senegal's food product imports consist of grain, dairy products, and meat; these doubled between 1994 and 2004.

The result of a too great opening of economies, these massive food imports have made the population very vulnerable to any external shocks.

Short fair trade circuits between developing countries enable regions to become more independent in the face of various external crises: petrol crisis, food crisis, falling world prices for given foods, etc.

Emmanuel Bailly, an environmental engineer, calls these trade zones "eco-regions", "which operate on the principle of producing food and energy as close as possible to the place of consumption". On condition, however, that relocation includes production diversification.

**PROMOTING LOCAL EFFORTS FOR CHANGE**

The development of local trade has value beyond its economic or food contribution. It promotes cooperation and supports a decision-making process to ensure that it corresponds to the needs and concerns of local populations.

This aspect can be further reinforced by a "fair trade" dimension, which insists on participatory democracy for producers. Political vision can even be the main engine for organisations in the South that invest in their market. Many fair trade organisations in Peru and Bolivia make local trade a priority in order to gain political say and legitimacy.
CREATING ECONOMIC VALUE IN LOCAL MARKETS, CULTURAL DIVERSITY

The following is one of the recommendations of a study on fair trade in the South: "National fair trade initiatives in producer countries can become tools to promote both access to markets for small producers and food sovereignty and production diversification."[23]

In fact, South-South fair trade would supply local markets. The shorter circuit would add value to other local actors through either product processing or their sale. In Senegal, the dynamism of the fair trade sector has encouraged national operators to create an environment favourable to the local market.[24]

In addition, it would help foster the re-introduction of local products. In Haiti, for example, changes in diet have happened gradually and today locals who can afford to, eat bread made from American wheat and Brazilian sugar. Structural food aid modified the basic diet in primary schools with products from the North or from the United Nations Food Programme. Children became used to eating differently and gradually rejected their own food culture which is based on tubers, beans and manioc. [25]

By supplying markets with clothing, food and other local products, local merchants can free themselves from the cultural boundaries (in a broad sense) of the North. They can take part in culinary and clothing diversity, that is, in the planet's cultural diversity.

What is more, community and ethnic identities also provide support for the development of certain local fair trade markets. This is the case in Bolivia where the passion for fair trade is linked to a change in attitudes toward Andean culture. For several years now, ethnic products have become an identity marker for the Bolivian population; for Indians, of course, but also for the middle and upper class. [26]

RAISING AWARENESS OF THE "FAIR TRADE" CONCEPT IN THE SOUTH

Fair trade? Never heard of it...This is, presented in short as a caricature, one of the conclusions of an Indian study on fair trade among students aged 18 to 22 and of couples between 25 and 50. The target group consisted of people from the socio-economically and culturally richest groups in India. That is, potential buyers of fair trade products.

By “fair trade” they understood trade that would be “fair” to them in financial terms. Fair trade would offer prices they would be willing to pay for products! With respect to producers, they felt that most companies are fair in their dealings.

Schooled in “meritocracy”, they associate an increase in salary with an increase in effectiveness; they feel in no way connected to the workers and farmers behind the products. Their vision of the world clearly separates the “business” and “charity” spheres.

In conclusion, the study stated that"It never crosses their mind that companies could be exploiting people or the environment. They believe that companies help to eradicate poverty by creating employment." They will in no way compromise on quality and will not pay a rupee more in the name of solidarity. [27]

Discouraging? Not for Arun Raste, from International Resources for Fairer Trade (IRFT), the Indian NGO that ordered the study. He came to the following conclusion: "Many Indian city-dwellers are ready to support a social cause... on condition that they don't have to pay anything for it. IRFT therefore favours the national market and seeks to shorten the supply chain to ensure attractive sales prices. The NGO hopes to contribute to the creation of our own national standards that will influence international standards."
According to the study [28] carried out by UCL on the challenges of fair trade, India will be able to rely on culture to develop local markets. The colours of its embroidery and the shapes of its products are immediately accepted by consumers. This argument is often put forth to encourage local trade. It is relevant but should not be overestimated. The main impact of North-South fair trade is not found in the journey between the two hemispheres but in the distribution logistics of the North. [29]

Encouraging short journeys must be coupled with the cleanest transportation methods possible and with the least polluting production methods available. [30]

A SMALLER ECOLOGICAL IMPACT

This argument is often put forth to encourage local trade. It is relevant but should not be overestimated. The main impact of North-South fair trade is not found in the journey between the two hemispheres but in the distribution logistics of the North. [29]

Encouraging short journeys must be coupled with the cleanest transportation methods possible and with the least polluting production methods available. [30]

ADAPTATION OF THE "FAIR TRADE" CONCEPT

South-South fair trade would re-appropriate the term "fair" and would give it a local dimension, no doubt with less stringent criteria, but closer to local reality. This relocation of the concept would avoid having all producers, from Peru to Vietnam, riding in the same boat. "How do you set minimum prices?" wonders Joseph Nkandu, the Ugandan representative of the National Union of Coffee Agribusiness and Farm Enterprises (NUCAFE). "Do you know my production costs to set this price? Do you know how I want to develop or do you want to impose your vision of development on me? If minimum prices are set, do you ever revise them? Can we get involved in negotiations on this topic? We clearly want to be active participants in the decision-making process." [31]
SOUTH-SOUTH INITIATIVES

The organisations of the South are organising themselves on all three continents to prospect their respective local markets. Social realities are different. Africa is in the very early stages of regional fair trade and products bought at a fair price are still luxury products. Given that, for example, 74% of the sub-Saharan population has no access to electricity, it is understandable that the most urgent challenges facing the continent do not necessarily include local fair trade.

On the other hand, the process is quite advanced in Latin America where associations or operators are becoming main players. In Brazil, for example, the government has implemented a policy to promote fair trade within its borders.

And, Asia is now also awakening to the concept of fair trade. Certainly, part of the population of this continent continues to be exploited by all kinds of manufacturers who are happy to have their products “Made in Asia” in order to take advantage of low salaries. However, resistance is being organised in these markets. And not in just any ones. India, a country-continent, is leading the way for fairer local Asian trade. While waiting for China?

During a round table meeting [32] organised by FTIS (Fair Trade International Symposium) in 2008, Abdourhamane Gueye of ENDA Senegal (Environment and Development Action in the Third World) also questioned the “fair trade” model provided by traditional certifying bodies. "Fair trade as it is practised today in the North and South has an extremely expensive certification system. Being certified Fairtrade does not ensure automatic access to the market. Some of our organic fair trade products had to wait eight months before finding outlets. Pricing, and even values, were an issue."

Faced with these findings and demands, there are two complementary options: open up international certification organisations more widely to producers from the South or...create a label for local or regional markets.

The latter solution is overwhelmingly popular across the South, from Ecuador to India and including Senegal. Actions to this effect have already been launched.

* Fair Trade International Symposium
ENDA launched a study on the issue in Senegal with all of the trade actors: ENDA, producers, processors, civil society and the State, via the Ministries of Trade and Crafts. Their idea: set up a local system that will enable Senegalese producers to appropriate the values of fair trade. A fair trade commitment charter has been created. “We want to create a values platform,” confirms Abdourhamane Gueye. “It will describe to our partners our conception of fair trade, its universal values and those specific to our market.”

ENDA is currently developing a local certification system in Senegal. Its specifications will be developed through pilot projects.

Eventually, ENDA hopes to develop a similar platform in Burkina Faso, Mali, Togo and Benin.

The initiative will promote the African concept of fair trade.

Why not join the African branch of WFTO (World Fair Trade Organisation)?

Abdourhamane Gueye is unequivocal: "We must go further. The foundations are being rethought; we are bringing in our own strengths and foundations. However, we did go and see FLO. Not with expectations but with proposals."

"PROFIT" AND "SHOP FOR CHANGE" IN INDIA

This impulse to move forward finds an echo in the initiative of International Resources for Fairer Trade (IRFT) in India. This organisation wants to see the creation of fair trade labels and standards specific to the Indian market.

Launched in 2006, its project "Promoting Fair Trade in India" (PROFIT) promotes the concept of fair trade to the country's consumers and decision-makers. It aims to "develop rules and criteria for fair trade adapted to the local context as well as a certification and follow-up system." PROFIT's ultimate goal is to enable small marginalised producers to gain access to the market within the framework of fairer production. Forty thousand producers could benefit from this new outlet. [33]

The process of creating "Shop for Change", the Indian label, is following a strategy and has developed various cells to support the development of criteria, a marketing & communication strategy, product development and producers.

> CERTIFICATION AND LABELS ON THE INITIATIVE OF THE SOUTH

This project is co-financed by the European Union, Traidcraft, the BTC Fair Trade Centre and IRFT.
Everything remains to be done in the vast Indian market: creating standards, certification and label monitoring, designing a marketing campaign (targeting first the two huge cities of Mumbai and Hyderabad), developing the capacity of small producers, creating a distribution network. Finally, a three-day Fair Trade festival in Mumbai is planned to mark the movement.

“Shop for Change” members insist on thinking in terms of business rather than NGOs. While demanding non-negotiable standards for transparency and accounting, strengthening of producer capacities and better working conditions, producers also bring to the table the possibility of including progressive standards indicators which will give them time to get organised and meet the standards.

Lastly, while they plan to immediately accept producers certified by WFTO or FLO, discussions during the final session of the meeting left no doubt about the distance they put between themselves and these labels: “We need to learn from the mistakes made by fair trade label organisations - get expertise, keep costs low. We should not follow FLO or the European model. We should aspire to being a third-party certification body for FLO.”

That was in March 2008. Two years later, “Shop for Change” has established social and environmental standards to be able to provide certification to farmers (Generic Standards for Agricultural Supply Chains). The label was created with the specificities of local producers and markets in mind. Standards for craftsmen and companies will follow.

“Shop for Change” standards revolve around several criteria: healthy and safe working conditions, legal salaries, sustainable production practices, accounting transparency, fair and sustainable relations between producers and buyers and the improvement of producer capacities. “Shop for Change” aims to develop a system which lowers barriers between producers and fair trade while decreasing dependency on the fair trade organisations already present in the international market place.

However, the standards issued include some points of concern. With respect to salaries, the Indian label requires “a minimum legal salary”, at least. In India this does not provide a decent standard of living, merely survival. If this criterion is not revised over the next two years (the observation period to develop SFC) some Indian workers could live in perpetual poverty. This measure would mean a considerable retreat for fair trade standards.

* Shop for Change, First Meeting of the Producer Group, Hyderabad, 8 March 2008 and http://shopforchange.in/*
Another drawback is that workers can negotiate their salary "collectively or individually". This "freedom" could work against unions and workers who could be made to compete individually for lower salaries.

SFC is planning a third party assessment and a producer monitoring system (the "Participatory Assessment System" - PAS). The benefit of this should be greater producer awareness and responsibility.

BTC's Trade for Development Centre partially financed the launch and implementation of the project for two and a half years (€25,820).

A "MAX HAVELAAR" FIRST IN A DEVELOPING COUNTRY

To defend FLO-labelled products, the international organisation can grant a licence to a national company, which will operate in its own country. It uses the “Fairtrade Certification Mark” and promotes the label's products. Until 2009 none such organisation was covering the local market in a developing country. This shortcoming has been remedied. There is a “Marketing Organization, Fairtrade Label South Africa” since April 2009.

Its raison d’être is to build a national market for South African “Fairtrade” brand products.

This includes tea, chilli sauce, coffee and a lot of wine, all produced by some sixty local cooperatives.

Is there a demand for cooperative consumption in Mandela’s country? Although awareness of fair trade is still limited there, Boudewijn Goossens, the executive director of Fairtrade Label South Africa, is convinced that there is. He has designed his strategy to meet and develop the demand: "There are two phases planned for the promotion of Fairtrade: the first focuses on the marketing and business planning. At the same time, we are trying to have more labelled producers. The second phase will consist of finding consumers, both individuals and organisations. We will help Fairtrade producers to increase their sales. We will look for shops interested in selling our products and we will put new products on the market while increasing the public’s awareness of fair trade."[34]

A "Max Havelaar" first in a developing country. Waiting for the tidal wave? The international certification organisation certainly thinks so. "There is already a great deal of interest from groups in Latin America, Asia and Eastern Europe that want to develop Fairtrade sales in their country."[35]
**MEXICO: THE COMERCIO JUSTO LABEL**

On the other side of the world, but still in the southern hemisphere, Latin Americans are some way ahead, especially in Mexico. This isn't surprising when you know that Mexican smallholder organisations took part in the creation of Max Havelaar Netherlands, the first fair trade label. [36]

The Comercio Justo Mexico association started the process of creating a Mexican fair trade label in November 1998! Standards were set in November 2000 and the label began to appear on local markets in July 2001.

One of the advantages of the creation of a local fair trade label is the potential for developing standards that add value to products that are only in demand on the internal market.

Comercio Justo Mexico was the first regional organisation with its own fair trade standards and certification system. Although the association manages standards development it does not, however, handle inspections and certifications of producer organisations. This is done by an internationally recognised certification agency called Certimex. A marketing system for fair trade products has also been created and it enables small producers to enter the market collectively. [37]

Another difference: "Comercio Justo México’s definition includes the concept of integral product quality and refers to the role of consumers whereas FLO’s apparently considers ‘fair access to markets’ as the only goal of fair trade”.

With respect to minimum coffee prices, the Mexican label has aligned itself with FLO, including the development premium. However, credit and pre-financing conditions are not included in Comercio Justo México rules.

The Mexican label has also developed an original initiative with its "Standard for Mexican Fair Trade Companies". This reference to collective sales between various groups of small producers promotes a more complete vision of fair trade by including the marketing aspect. In the same spirit, the "Standard for Certified Fair Trade Points of Sale" covers distributors who establish direct contact with consumers in the Fair Trade certification system.

By the yardstick of the Mexican experience, the "fair trade" standard is in no way cheapened by national certification. However, if Indian fair trade does not rethink its criteria within the next two years, the result will be two-speed fair trade (those that pay fairly and those that pay legally).

Tristan Lecomte of Alter Eco is, however, not worried about the arrival of these labels from the South: "Developing fair trade labels at the national level will always be better than what FLO is doing in terms of certification. The label is increasingly moving to the largest producers, which are following a discount policy that is putting downward pressure on fair trade. Controls, minimum prices and product quality are increasingly negotiable. The system is increasingly becoming a business."
The creation of the national label should be seen in light of an international fact in the region: the inclusion of the Mexican economy in the North American zone via NAFTA (North American Free Trade Agreement) in 1994. This agreement aims to integrate the Canadian, US and Mexican economies, with free movement of all goods. The result for Mexico: between 1994 and 2002, agricultural GDP decreased by 3% while national GDP increased by 0.94%. The farm sector lost 1.7 million jobs between 1993 and 2000 of which 600,000 were in basic grain production. Mexican agriculture has moved from being a food producer to an exporter of cash crops. Their composition is significant: Today coffee, fruit, and fresh vegetables make up most exports whereas the majority of imports consist of commodities and grain for animal feed. What’s more, a rural exodus is in full swing: 600 farmers leave their land every day to migrate to the city or to the United States. [38]

The creation of a Mexican fair trade label must be seen as a political reaction, the proposal of an alternative development model to challenge the free-market direction taken in the nineties.

That’s why, although Comercio Justo México’s strategy is to first target mass consumer markets, fair trade producers can only be small local organisations.
Created in 2004, Cooperation for Fair Trade in Africa (COFTA) is an international network of fair trade producer organisations on the African continent.

A member of WFTO, this African network wants to strengthen the ability of its members to develop their markets by developing quality products and giving them the resources required through information sharing and fair trade structures and principles. COFTA is also the voice of producers on the regional and international scene.

The network currently has 70 member organisations from 20 countries. These are mainly handicraft producers, but also tea, coffee, vanilla, honey, dried fruit, juice and textiles producers.

Still very English-language oriented, COFTA (which has its headquarters in Nairobi, Kenya), also works at the country level, developing and strengthening national fair trade networks in Kenya and also in Tanzania, Rwanda and Swaziland. Others are being planned for Senegal and Zimbabwe.

COFTA has four strategic axes:

- Member services (with, among other things, a programme to improve skills)
- The search for new members and network improvement
- Campaigns and lobbies in favour of fair trade (via workshops, seminars, advocacy, the media, etc.)
- Market access

One of the COFTA projects: certification for African fair trade organisations

**THE MAGASINS DU MONDE PROJECT THROUGH THE REGIONAL COFTA PLATFORM**

While fair trade sales have increased significantly over the past years, many small organisations have remained on the margins of this financial growth as a result of lack of certification and, therefore, of recognition of their working conditions.

To alleviate this situation, and linking it with the environment, WFTO has launched a new certification in May 2007 called the "Sustainable Fair Trade Management System" (SFTMS). Rather than being granted to products, this sustainable fair trade management system will be given to organisations that work under sustainable environmental conditions and respect the principles of fair trade. According to WFTO, SFTMS operates as a generic standard and as a platform to integrate all facets of sustainable development. All of this is intended for marginalised producers. According to WFTO, "International standards are typically designed for 'big businesses'". This
standard is tailored to meet the needs and realities of small organisations and specifically to help improve the living standards of small producers by providing them with access to major markets. Certification costs will be low.

This certification is, of course, of interest to COFTA. African craftsmen work in small rural structures. They are not highly organised and find it difficult to meet the demands of the global economy due to insufficient infrastructure. Their products used to be sold in cooperative markets which are less demanding from a quality, volume management, and delivery deadline standpoint. However, COFTA has pointed out that the cooperative market is changing and these shortcomings are no longer acceptable.

The time has come for them to grasp the opportunity for effective environmental management in order to grow quickly. SFTMS provides them with the opportunity. COFTA is developing a “certification and SFTMS” project to help fair trade organisations quickly understand how the system works and take part in finalising it. Once the standard is ready, COFTA will develop support structures for small operations that want to meet certification requirements.

The COFTA programme has targeted five African countries (Tanzania, Uganda, Rwanda, South Africa and Senegal). It is supported by BTC’s Trade for Development Centre.
> OTHER INITIATIVES

Africa

**KENYA FEDERATION FOR ALTERNATIVE TRADE (KEFAT)**

Founded in 2003 and based in Nairobi, KEFAT (Kenya Federation for Alternative Trade) is a network of Kenyan fair trade organisations.

KEFAT aims to improve the environment and the conditions of marginalised Kenyan producers via an innovative approach to the local market.

This COFTA and WFTO member has an extensive network with 34 registered members most of whom are producer groups or associations from different regions and cultures. KEFAT also includes civil associations and development organisations involved in the promotion of fair trade.

KEFAT is multiplying its activities to support producers with the organisation of meetings (social forums), training, and regional and international networking.

One of KEFAT’s objectives is to develop the share of Kenyan products on the local market. KEFAT also wants to establish a code of fair trade practices common to all of its members.

**THE MOROCCAN PLATFORM FOR FAIR TRADE (PMCE)**

PMCE was created to develop fair trade channels in Morocco and to develop exchanges between operators.

The international social economy and cooperation fair held in Casablanca in June 2008 saw the signing of a partnership agreement between large and medium retailers and the Ministry of Economic and General Affairs via the Social Economy Department. The goal was to provide support to about 50 local producers who had created an Economic Interest Grouping (EIG) and to prepare them to sell "Social and Cooperative Economy" products at large and medium Moroccan retailers.

Since signature, only Label’Vie has taken the risk. It offers nearly 150 fair trade food products on a dedicated display at the Carrefour store in Salé.

Eventually, several product lines should be offered. The idea is to expand to other types of products once the food products have tapped into consumer interest in the regular store departments. [41]
BRAZIL: FAIR TRADE AS SOCIAL POLICY

Brazil has accomplished with fair trade what every country dreams of doing: a dedicated union. The national platform Faces do Brasil[42] coordinates the operators and actions of cooperative trade*. Everyone is included: NGOs**, producer organisations*** and various Brazilian government entities****.

This grouping of diverse actors might seem to be a fair trade construction rife with contradicting interests. This is not the case. "Faces do Brasil" was created in 2001 and has become a political project aimed at social change. The platform is focused on the national market, local development and the food security of Brazilian communities. [43]

The government has recognised fair trade as a social policy. The concept, its principles and its criteria have been homogenised at the national level to create the Brazilian Fair Trade System Law (2007). This legislative framework enables stimulation of the production channels based on these principles. It's difficult to do better in such a short period of time.

Faces do Brasil has re-appropriated the concept of fair trade by means of a transparent and participatory procedure led by the Fórum de Articulação do Comércio Ético e Solidário no Brasil[44]. The result is fair and cooperative trade defined as "a differentiated commercial flow that establishes ethical and cooperative relationships between all of the links in the production chain with, as a result, the empowerment of workers, farmers and their families, indigenous peoples, quilombola*****; miners and farmers who have been disadvantaged or marginalised by the traditional system of commercial relations******.

This national initiative has created cooperative trade based on movements that existed in Brazil. The difference between it and "official" fair trade is seen, in particular, in its intentions and goals. As pointed out by Rosemary Gomes, a member of Faces do Brasil, this isn’t a matter of the social responsibility of corporations or of the demands of consumers in the North who are under the impression that, by purchasing the products of poor countries, they are contributing to creating a better world. According to a study by José Fitipaldi, a growing consensus was emerging around the fact that “Fair Trade”, seen essentially as a North-South relationship, was an external and insufficient vector to meet the social and environmental objectives on a scale compatible with the size of Brazilian social and environmental expectations.

* "Faces do Brasil" is based on two concepts: fair trade and ethical cooperative trade
** FASE Nacional, Kairos, Fundação Friedrich Ebert, VisãoMundial, OndaSolidária, IMAFLORA, ÉticaDESER, Cáritasdo Brasil
*** UNISOL, RBSES, ADS-CUT, UNICAFES, ACS-Amazonia, RedeCerradocé FETRAF
**** SENAES –MTE, SAF-MDA, SOT-MDA and SEBRAE Nacional
***** Residents of former slave villages
****** Faces do Brasil 2006 cited by the Fitipaldi study
However, Faces do Brasil insists on the principles of proximity and transparency between producers and consumers. Setting-up certification will be a major challenge in itself. Many producers, especially weaker ones, resist the label. Fitipaldi believes that if certification is created, it should not put pressure on costs. Strict certification could weaken fair and cooperative trade before it can even develop as a system. It would, therefore, be prudent to strengthen producers and the movement as a whole, with fewer restrictive procedures initially.

The challenge is as big as Brazil, but prospects are equally vast: this unique organisation could provide an example of what fair trade on a vast scale could be like.*

* Faces do Brasil 2006 cited in the Fitipaldi study
THE LATIN AMERICAN COORDINATION PLATFORM FOR FAIR TRADE

This Platform was set up in October 2004 as part of the National Forum on Fair Trade in Peru. It brings together Latin American organisations and fair, community, ethical and cooperative trade networks. The Mesa de Coordinación Latinoamericana de Comercio Justo (MCLACJ) coordinates the development of local and South-South fair trade across the sub-continent. Among its members, the Platform can count on the fair trade networks of Chile, Uruguay, Mexico, and Argentina, and on the Cooperative Economy Network Group of Peru and Faces do Brasil. [45]

However, the network, like CLAC (Coordinadora Latinoamericana de Pequeños Productores de Café)* [46] and RIPESS (Red Intercontinental de Promoción de la Economía Social Solidaria) does not limit itself to playing "secretary" for national bodies. It demonstrates Latin America’s desire to take control of "its" fair trade for which rules are now primarily set in the North. It intends to participate in defining fair trade suited to its sociological reality. [47]. The Platform proposed a study on the emergence of a proposal for fair trade in the South at the 5th World Social Forum in Porto Alegre. [48]

PERU: EL GRUPO RED DE ECONOMÍA SOLIDARIA DEL PERÚ (GRESP)

GRESP, the Cooperative Economy Network Group of Peru [49] (GRESP), an association created in 1998, intends to strengthen relations and exchanges between Peruvian cooperative economy operators.

It was set up as a result of the desire of various networks to act on the margins of the International Cooperative Economy Meeting in Lima in 1997. GRESP wanted to create a "cooperative economy track". [50]

GRESP insists a great deal on sharing knowledge, competencies and experience. It focuses primarily on Peru. This dual priority was in evidence when GRESP came to France to meet with Artisans du Monde (Rhône Alpes) in March 2009 [51]. The Peruvian organisation did not just come to find commercial outlets but sought information and advice on how to develop a network of cooperative economy shops.

GRESP also supports the training of Cooperative Economy Initiative Groups (Grupos de Iniciativa de economía solidaria - GIES) in Peru. It trains and informs a network of 33 organisations and 17 GIES in the various regions of Peru.

* CLAC has since opened to include more than coffee producers
EQUATEUR : MAQUITA CUSHUNCHIC

ECUADOR : MAQUITA CUSHUNCHIC

By way of introduction to the Maquita Cushunchic Comercializando como Hermanos (MCCH) website [54], an old sage with a white beard speaks enthusiastically about the independence of indigenous Ecuadorian communities. Alongside the smile of a Quechua woman, he speaks of “reconciliation” and “dignity”, a wooden cross around his neck. This gentleman is Graziano Mason, an Italian priest who has lived in South America for decades. He founded MCCH with residents of South Quito.

The first principle adopted by MCCH is to live within a liberating faith. Improved living conditions for indigenous communities quickly follow. The movement was first limited to the neighbourhoods of South Quito but has spread across all of Ecuador.

Popular, community, craft, farmer and producer organisations are the MCCH’s raison d’être. The association supports training for leaders in order to strengthen both their ability to produce and to negotiate their rights.

To market products, MCCH created “Maquita solidaria”, a company that sells three types of products from these communities: agro-industrial foods, handicrafts and various Andean products.

MCCH has also turned to foreign countries with a fine cocoa company that exports 80% of its production to Europe.

Maquita Cushunchic Comercializando como Hermanos, has also created many activities for the benefit of its communities: a network of community shops, alternative tourism, a cooperative fund and the promotion of handicrafts. Services including a cooperative bank, technical training, literacy campaigns, and sustainable development awareness-raising are also available. [55]

The association’s partner in Belgium is Oxfam-Magasins du monde.
Fair trade came relatively late to the many islands of the Philippines. In the eighties and following the "sugar crisis", worker conditions and salaries began to become an issue. In 1995, Oxfam became a pioneer in the country by developing a fair trade programme. 

The Association of Partners for Fairer Trade (APFTI) was born two years later, in parallel with the programme. The name was changed to "Advocate of Philippine Fair Trade Inc." in 2001 and retained the same initials.

APFTI's approach to fair trade is strongly influenced by the concept of corporate social responsibility. It targets micro and small operations and supports them in the sustainable development of their activities. The "business" aspect is very present (one example among others, APFTI believes that a gender policy is "good for business", which is why they adhere to fair trade gender standards...)

Certified by WFTO, this association has already provided support to over 1000 companies through its "integrated entrepreneurial development", a 6-to-9-month service that provides technical assistance and highly appreciated advice.

Over the past years, the Advocate of Philippine Fair Trade Inc. has been committed to raising producer awareness about fair trade, to opening local markets to Philippine fair trade products, and to informing the public about the existence of this fairer trade. APFTI has especially considered certification indicators and standards that are suitable for fair trade in the Philippines and developed a brand of its own for the local market.

Over the next three years, and with the support of the European Commission, APFTI will be launching "MaDe for Fair Trade" (MArketing DEvelopment for Fair Trade). Its goal is to durably anchor fair trade with producers and in the consumer habits of Filipinos. The project includes market studies, the creation of a label and its launch, support to producers in the application of fair trade principles and the opening of seven shops in key commercial locations in the Philippines.

The first Fair Trade Shop opened on 8 August 2009 in Cebu and was followed on October 7th by a second one at Cagayan de Oro. Local window shoppers discovered the creations of 32 local producers, some of which were specifically dedicated to the local market. Pastries, tea, coffee, jams, fashion and interior design accessories, paper, and beauty products have also been launched. The Executive Director of APFTI, Vincente Roaring, affirmed at the time the shops were opened that: "We believe that small enterprises are fighters for development and despite the many challenges they face, they resolutely continue to provide employment and social security to families and communities".

Asia

THE PHILIPPINES: THE ADVOCATE OF PHILIPPINE FAIR TRADE

Fair trade came relatively late to the many islands of the Philippines. In the eighties and following the "sugar crisis", worker conditions and salaries began to become an issue. In 1995, Oxfam became a pioneer in the country by developing a fair trade programme. [56]

The Association of Partners for Fairer Trade (APFTI) was born two years later, in parallel with the programme. The name was changed to "Advocate of Philippine Fair Trade Inc." in 2001 and retained the same initials.
Betterday sells very well in Vietnam and elsewhere

Betterday, launched by MDI (International Marketing and Development), is the very first brand to be certified fair trade in a developing country. It is sold in Vietnam and other Asian countries.

MDI was the brainchild of two seasoned development workers. After leading many development projects, Minh Tuyet Nguyen and Dominic Smith wanted to break the vicious circle of poverty they had been fighting for so many years at any cost.

In 2007, they decided to found a social enterprise to market tea according to fair trade principles. They left for the mountains and began to work with isolated communities living in very basic conditions. They won their confidence, helped them organise, and taught them to harvest the best tea leaves and to process them for high-quality tea.

Two years have gone by since then. MDI now employs 20 enthusiastic people and works with 1000 farming families. The products are exported to Denmark, Germany, The Netherlands, the United Kingdom, Hong Kong and Japan.

It is also a point of honour that their line of products, which now includes coffee and cashew nuts, is also sold in Vietnam and in other developing countries: “Everyone deserves to have access to socially responsible quality products”, says Dominic Smith. By marketing their Betterday brand in the Asian market (“better quality, better health – all of the products are from organic farming - and better for society”) they challenge the widely held belief that fair trade is solely for the billion people living in richer northern countries.

Dominic Smith summarises the ultimate goal of MDI as follows: “We want the products we make with our farming partners to be recognised as being of superior quality even though the people who make them are from a less developed country”. [58]
Our understanding of the term “fair”, and of the goals of fair trade, changes on reading through this non-exhaustive presentation of fair trade organisations from the South.

Africa, and in particular West Africa, aims to develop its regional label. Local fair trade is in its “pilot” phase. Efforts are converging and strong African fair trade should soon emerge.

In Latin America, where the fair trade “tradition” has been solidly rooted for twenty years, this type of trade includes a powerful political dimension. Fair trade provides not only a source of income, but also (especially?) a way of playing a political role on the national scene and, more particularly, of defending the rights of indigenous peoples. Local fair trade has become a battle flag for marginalised peoples. It is also a force for resistance against exports which harm the living conditions of local producers.

However, does the “protest” dimension run the risk of disappearing when fair trade becomes state social policy as in Brazil? Fair trade could then become “merely” a government tool of social policy. Depending on one’s inclinations, such integration can either be seen as the last step on the road to success, the exception becoming the rule, or as a stunning defeat, with the tool of change passing into the hands of the decision-makers.

The Indian and Philippine versions of local fair trade appear to be less affected by this tension between business and political struggle. They primarily have a vision of a market that can improve producer conditions through its practices and outlets. The act of buying is not the result of solidarity, of ideological conviction. Fair trade accepts the logic of competition while supporting companies that develop true social concerns. By applying fair trade practices throughout the entire product manufacturing process, the market also provides assistance by granting more resources to producers who have a very small share of local and/or national trade. The absence of more political demands can also be due to the nature of strong regimes. As a result, although Vietnamese fair trade is dynamic, its actions can only impact on the economic sphere.

CONCLUSION:
SOUTH–SOUTH DIVERSITY
In fair trade, bananas are more than just bananas. By consuming them, people demonstrate their ties to values, to ideas and to producers thousands of miles away from them. They affirm their awareness of globalisation and demand that it be made fairer.

The act of buying and selling also mobilises people. Fair trade organisations like Oxfam bring together thousands of volunteers, some of whom are less sensitive to the speeches of Chomsky or Bové than to the concrete future of the Colombian farmer who is on the coffee bag and to the goal of selling it (the bag, not the farmer).

When fair trade relocates and local commerce takes precedence over exports, will militants for a fairer world lose a precious ally in their mission to raise awareness, one they see in their kitchens every day?

There is, in fact, no reason to put local fair trade (in the South) and North-South fair trade in opposition. If carried out with respect for producers, both will partake in improving the living conditions of marginalised people. We must not forget that fair trade is less than one percent of global trade. All forms of fair trade must be encouraged.

The greatest concern about the development of fair trade and its labels in the South is with the "negotiable aspect" of its values. When Abdourhamane Gueye of ENDA Senegal speaks of "...universal values and those specific to our market," which ones is he referring to?

In his study on the emergence of a Mexican fair trade label, Pierre Johnson concluded that, in light of interviews with various Mexican fair trade actors, there were "significant differences of interpretation of the meaning of fair trade" in the FLO and Mexican visions*. Whereas "FLO standards focus on the commercial conditions for producer access to international markets, those of Comercio Justo México emphasise the development of organisations for small producers". In fact, for the Mexican label, and as opposed to FLO, independent small producer organisations are the only legitimate type of producer for fair trade. So goodbye to private plantations employing labour.

* The two labels are, however, close. Comercio Justo México is a FLO member and recognises the international label in its market. FLO, however, refuses to recognise the Mexican label for exports. See: [http://economiesocialequebec.ca/userFiles/documents/root/documents_gen/commerceequitablenексique2008.pdf](http://economiesocialequebec.ca/userFiles/documents/root/documents_gen/commerceequitablenexasique2008.pdf)
These different forms of fair trade, which are more concerned with human welfare, must be encouraged. By re-appropriating a form of trade designed for their most marginalised people, the countries and operators of the South aim to assume their responsibilities. They have announced a new level of emancipation from buyers in the North. Far from all aid from industrialised countries, South-South fair trade initiatives must turn to local forces for support. They can, as a result, not only create or strengthen national economic channels, but also energise the social fabric, and promote rights (employment and human rights) which are often flouted. Opting for fair trade consumption will no longer solely be an entitlement reserved for consumers in the North but will also be for those with average incomes in the South. It will be up to them to demonstrate their solidarity with their producers, with their poorer country-men. The debate about just distribution of resources and revenues will be all the more pertinent for the local scene. Fair trade can both improve the life of workers and also awaken the conscience of citizens.

Will there be as much of the South as of fair trade given the various trends in the continental approach to fair trade? No doubt in the details, but not in the foundations. Fair trade will always have to strive to provide fair remuneration to producers and workers organised in transparent cooperatives or in similar organisations that contribute to the economic and social development of their members and are controlled democratically by them. Local, national and continental sensitivities will only be able to express themselves if this minimum set of requirements is met.
Glossary

Biodiversity / BTC (Belgian Technical Cooperation) / Short circuit / UNCTAD / Fair trade / Social and solidarity economy / FLO-Max Havelaar / Resilience / Social responsibility / WFTO

Biodiversity

The diversity of living beings that populate the Earth. The Convention on Biological Diversity was signed at the Rio Conference in 1992. Its goal is the protection of wild fauna and flora, their natural habitats, and the whole living world, with the exception of human beings.

Source: Groupe One - InfoDurable

BTC (Belgian Development Agency)

BTC is the Belgian development agency. It supports developing countries in their struggle against poverty on behalf of the Belgian government. In addition to this public service mission, BTC also carries out activities on behalf of other national and international organisations which contribute to sustainable human development.

In order to support fair trade, BTC launched a generic promotional programme in support of fair trade in 2005, called the "Fair Trade Centre". This centre has since changed names to become the "Trade for Development Centre". It also addresses sustainable trade and provides trade assistance in developing countries.

Short Circuit

This is the name given to trade with production and marketing channels with few intermediaries between producer and buyer and takes place in a small geographical area.

UNCTAD

United Nations Conference on Trade and Development. Created in 1963, UNCTAD works to create balanced trade between North and South. It was during one of its first meetings that the South issued the statement "Trade not Aid."

Fair Trade

Trade partnership, based on dialogue, transparency and mutual respect. Its goal is to create greater fairness in the global marketplace. Fair trade contributes to sustainable development by offering better trade conditions and by securing the rights of marginalized producers and workers, especially in the South. Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, raising awareness and in campaigning for changes in the rules and practices of conventional international trade.

Source: FINE and Trade for Development Centre – Samuel Poos 2009

Social and Cooperative Economy

The social and cooperative economy brings together a number of organisations operating on the principles of equality between people (1 person, 1 vote), cooperation among members and economic independence. It promotes its criteria: open membership, limited profit-making (not individual), democratic and participatory management, collective or social utility of projects and mixed financing from private and public sources.

Source: Alternatives Economiques
**FLO-MAX HAVELAAR**

Fairtrade Labelling Organizations International. Created in 1997, FLO is an association of 21 fair trade labelling initiatives (such as Max Havelaar in Belgium) located in over 21 countries. In January 2004, Fairtrade Labelling Organizations International split into two separate organisations to ensure the independence of the certification process: FLO International e.V. and FLO-CERT GmbH.

FLO International e.V sets criteria and standards for fair trade. It helps producers through the certification process and to search for markets for their products.

FLO-CERT GmbH inspects and certifies producers and importers based on the standards developed by FLO International.

**Source:** FLO and Trade for Development Centre – Samuel Poos 2009

**RESILIENCE**

In ecology, resilience is the capacity of an ecosystem or a species to return to its normal state and/or to normal development after suffering trauma. When applied to cities, it is the ability to absorb external shocks.

**SOCIAL RESPONSIBILITY**

Corporate social responsibility (CSR) is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. CSR is applicable to companies and takes its cue from financial ethics, fair trade and sustainable development.

**Source:** European Commission Green Book on Corporate Social Responsibility 2001

**WFTO**

World Fair Trade Organisation. Created in 1989 as IFAT (International Federation for Alternative Trade). It brings together 220 organisations in 59 countries. These are producer groups, alternative trade organisations and other fair trade operators from Africa, Asia, Australia, Europe, Japan, and North and South America.

In 2004, WFTO launched its organisation label (Fair Trade Organisation Mark – FTO-Mark) which is intended for fair trade organisations rather than products.

**Source:** Trade for Development Centre – Samuel Poos 2009
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The Trade for Development Centre is a BTC programme (the Belgian Development Agency) for the promotion of fair and sustainable trade in developing countries.

**THE CENTRE’S THREE AREAS OF WORK**

> CENTRE OF EXPERTISE

This is a centre of expertise for trade aid, fair trade and sustainable trade.

- Collection, analysis and production of information (consumer opinion surveys, market studies, etc.)
- Leadership of a working group within the Entrepreneurship for Development support platform for the private sector

> SUPPORT TO PRODUCERS

The Trade for Development Centre is a support tool for producer organisations. It supports marginalised producers, micro and small companies as well as social economy projects set up under fair and sustainable trade rules.

- Strengthening of organisational, technical and production capacities
- Transmission of relevant information (on markets, available certifications, etc.)

> AWARENESS-RAISING CAMPAIGNS

The Centre runs awareness campaigns for consumers (Fair Trade Week), business people and the Belgian public authorities.

[WWW.BEFAIR.BE](http://WWW.BEFAIR.BE)
BUILDING A FAIR WORLD