



Project End Report

Fair Trade Certification

Learning and Sharing, Uganda and Tanzania

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Date: Spring 2008

Background

Consumers are increasingly aware of the low price that farmers receive and the labour conditions in developing countries. As a consequence, buyers are interested in sourcing products where these aspects have been somehow taken care of. EPOPA experienced increasing interest from importers in other types of certification, e.g. Fair Trade, besides organic. Fair Trade certification (FLO) is possible for producer organisations (cooperatives) and for estates with organised labour. In the East African situation the majority of smallholder farmers are contracted by the exporter.

FLO has a Contract Production Standard, which is more suitable. This standard is however in an experimental phase.

Fair Trade implies that benefits, like a minimum price and a fair trade premium, reach the small-scale farmers and/or workers. The exporters do not receive any benefits from fair trade certification, except for access to a niche market, which sometimes but not always offers interesting prices. As the exporter organises the farmers, improves quality, buys and markets the farmers produce, handles the certification and is taking the risk, EPOPA felt that exporters should be able to share in the benefits of fair trade certification, for example by receiving a small premium too. A project was called for to study the options for EPOPA exporters to obtain fair trade certification.

The first phase of the project, called Fair Trade Contract Farmers, was to investigate how contract farmers and exporters could obtain fair trade certification. It was implemented from April 2006 to August 2007. Communication with the FLO standards director concluded that it would not be possible to achieve FLO certification within the EPOPA period (end 2008). To find out what other possibilities are available for exporters, a survey was carried out on other Social Corporate Responsible and/or Fair Trade initiatives. A report titled *Social, Corporate Responsible, Ethical & Fair Trade Initiatives*¹ dated May 2008¹ was compiled on the different social corporate and fair trade initiatives, as developed by different players in the world. Alternatives to FLO certification were offered by organic certifiers like IMO, Soil Association and Ecocert.

¹ The report is available from the EPOPA website (www.epopa.info)

Many EPOPA exporters are already certified organic by IMO. EPOPA thus decided to support a pilot to certify an existing organic exporter to IMO fair and social responsible standards. This report is about that exercise.

Objective of the EPOPA support

The objective of the Fair Trade Certification project was to prepare one organic project for IMO Fair Trade inspection and certification by assisting the company to meet the Social and Fair Trade requirements.

General development of the project

Biofresh Ltd in Uganda was selected as the company who was ready and showed much interest in obtaining organic/fair trade certification.

The standards used are posted on <http://www.fairforlife.net/>

In April 2007, an initial training was given to the field officers, some casual workers and the management of Biofresh on the implications of fair trade certification. During this training the management became aware of what different steps had to be taken within the Biofresh organisation and its field operations. A company fair and social responsible policy was developed, some adjustments had to be made to the staff employment policy and some management decisions taken by Biofresh. The organic internal control system was adjusted to include fair trade aspects and 10 trainings with supplier groups took place. The actual organic and fair trade inspection by IMO took place in November 07. An inspector from UgoCert accompanied the inspection as a learning exercise. A total of 120 farmers were involved in this fair trade inspection. As it was a test for IMO also, the actual certification decision came through in April 2008.

EPOPA Support to the project

The project leader was Haike Rieks assisted by the project consultant Florence Nagawa Ssebunya. During a period of three months an intern from Larenstein College in The Netherlands, Eline de Bot assisted with training and developing the company's policy regarding fair and responsible working conditions. The project was implemented from 1st April 2006 to 31st July 2008.

Lessons learnt

Training of farmers needs to be emphasized, not only on fair trade aspects but equally important is general group formation, which is a condition for IMO fair trade certification. Training of farmers on fair trade aspects (fair treatment of women and men, child labour, etc) was for many farmers an eye opener as some farmers mentioned they just now came to realise that children should not do heavy work, or women have the same rights as man.

During training sessions on fair trade it became clear that some topics of fair trade are difficult to understand. One lady stated over children and labour: "I see now that children are human beings that need rest and cannot be used for work continuously." An expression from another woman farmer was: "I know more about child labour now". In-depth training on these aspects made many farmers realise that fair trade certification is not only concerning a fair price and a premium but also covered social aspects. Preparing farmers for fair trade certification needs time, in training them on fair trade aspects and in guiding the process of group formation. Group formation is a course of

action that goes as fast or slow as farmers are (or are not) ready for. It is a process where continuous improvements can take place with proper guidance.

Conclusions

Preparation for the project started in 2006. The first trainings were given in April 2007. The exporter has been inspected for organic and fair trade in November 2007 and received certification in April 2008. All phases need sufficient time. Without assistance from outside, the (busy) exporter would not have been able to achieve this result.

Further Development

It would be good to have a special training tool designed on the more difficult issues about fair trade. A proposal was developed to make a fair trade quartet game. This game was designed for the farmers, their families and children as a training tool. Through playing the game, discussions about the different aspects of Fair Trade are encouraged which enlightens the topics further within the community. The proposal was adapted to a more general topic of Organic Agriculture and to include some aspects of Fair Trade only, as the EPOPA PM felt that it should not give Fair Trade more emphasis than organic certification.

A lot of emphasis in the trainings was on group formation. Some groups developed group constitutions while others are still in the process of forming groups. This activity needs to continue and will be improved with the help of the exporter. The exporter is very interested to continue with the aspects of group formation and in providing fair farm gate prices to the farmers. The European importer wants to pay a fair trade premium to those farmer groups that are operating well but also cooperate well with the exporter.