

Fairtrade Foundation's 2016-20 Strategy





Our new five-year strategy Changing Trade, Changing Lives is an ambitious global response to a changing world. The benefits of Fairtrade are reaching more farmers and workers than ever before – we have 20 years of evidence showing how fair terms of trade can enable farmers to achieve sustainable livelihoods and realise their hopes for themselves and their communities.

Nevertheless, global trade continues to offer only a precarious existence for millions of producers who face daily the challenges of poverty, price volatility, climate change and unequal balance of power. Price deflation and the huge shifts in the UK retail sector are only increasing these pressures. The fact that half the world's hungry are themselves farmers is a scandal that has no place in the modern world.

Over the last 20 years, Fairtrade has led a revolution in the way food is traded, proving that ethical sourcing can put the power back where it belongs – with consumers and producers. Our new strategy presents the opportunity for us all to work together in new ways, to drive even more impact and tackle the urgent challenges farmers and workers face.

Fairtrade has always been about change, and as the best-known ethical label in the country we know how much is still needed to make trade fair. We invite you to join us on this journey.

Michael Jary, Chair, Fairtrade Foundation Board

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FARTRADE GAN

One of the hallmarks of our new strategy is that we're literally putting the 'l' into Fairtrade. In other words, this time it's personal – in more ways than one.

Over the last few years there has been much to celebrate in the fight against poverty, but still the benefits of trade are not evenly shared. For all of its potential, globalisation at its worst can mean long supply chains, which make the poor poorer, the planet dirtier and can bring risks to brands and consumers.

The UN Global Goals for Sustainable Development recognise this, and call on all of us – producers, businesses and consumers – to redouble our efforts towards a fairer and more sustainable world.

Why are so many children still working when they should be at school? How do we create more gender equality in trade? How do we support farmers in the battle against climate change? How do we make faster progress together to achieve a living income for all producers?

Today, too many farmers go hungry, too regularly. This is one of the scandals of our age. Small-scale farmers the world over know it all too well. So well, in fact, that they give their hunger a name. Some farmers

call it the hungry months, the thin months, the months of the big stomach, seasons of hunger, times of silence or the months of water.

They describe periods between harvests when the money has run out and food prices on the market are high. In Nicaragua, coffee farmers talk about the 'thin cow months'. That vivid description tells you all you need to know about our unfair world.



Over the next five years, the Fairtrade Foundation will push for ever-greater impact, seeking out new ways of bringing the benefits of trade to marginalised farmers and workers. We have four goals to 2020: focus on impact, make Fairtrade personal, improve and innovate, and build a strong organisation.

We will enable lasting impact by focusing on five commodities: coffee, cocoa, bananas, tea and flowers, based on 20 years' experience of what works and what needs to be changed. We will continue to create market opportunities for a wide portfolio of products. And we will seek partnerships to work in new, challenging sectors such as small-scale gold mining.





We will increase our investment in innovation, creating a portfolio of new ways of working, built around the benefits they bring to farmers and workers. We have already started to adapt the way we work. In 2014, we launched Fairtrade Sourcing Programs in cocoa, sugar and cotton, enabling farmers to sell significantly more on Fairtrade terms.

Fairtrade is unique. Farmers and workers own half of the system. We are the only certification scheme to insist on better payment terms from day one. This enables producers to access finance, to plan, take risks, invest and look to the future. We know from our own research that these requirements are the ones they value most.

Let's build on this to go further, and make the next five years of Fairtrade the most impactful yet. People may ask themselves, 'What can I do?' but little things can make a big difference – when we work together. When people say 'I can', Fairtrade can.



Michael Gidney, Chief Executive

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Changing Trade, Changing Lives

There are challenges we have to overcome to make trade fair.

Despite the wake-up call of Rana Plaza, millions of hired workers still toil for poverty wages in dangerous conditions.

Climate change is resulting in the loss of 12 million hectares of productive land each year. Young people are abandoning agriculture, swelling the ranks of the urban unemployed and economic migrants. Women work to produce 60-80 percent of the world's food, yet the number of women living below the poverty line has increased by 50 percent since the 1970s.

About 168 million boys and girls around the world are engaged in child labour, mostly in agriculture.

Artisanal mining, while producing the most highly priced precious metals, remains one of the most dangerous and poorly rewarded jobs in the world.





SMALL-SCALE FARMERS
WHO ARE ESSENTIAL TO THE
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THE WORLD TODAY

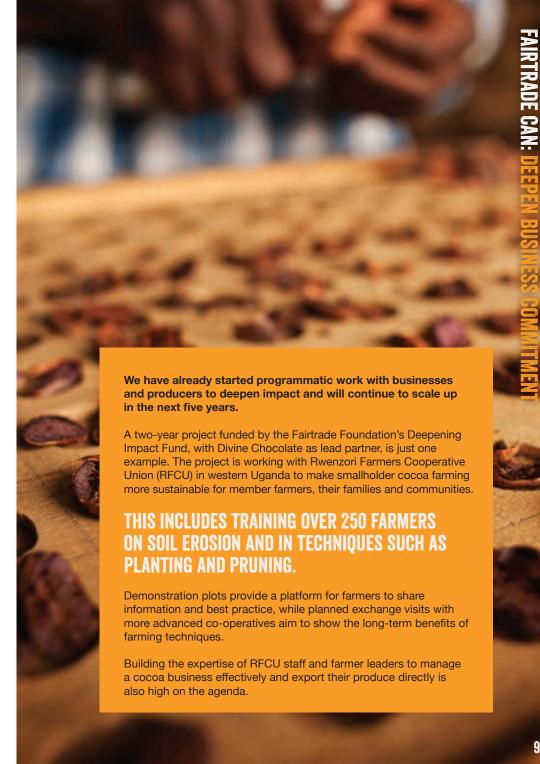
These challenges are intrinsically linked. We cannot address poverty until we tackle inequality; rampant development worsens climate change; any approach to eradicating child labour and forced labour must address sustainable livelihoods throughout value chains; and a lack of equal rights for women inhibits progress across the board.



The Global Goals take this world context into account, aiming to end poverty 'in all its forms, everywhere', while leaving no one behind.



The Goals are not just an opportunity to create a better world for all citizens but for world governments to recognise and address the desperate need for policies to be joined up – from human rights to economic development, from sustainable trade and private sector development to urgent action on climate change.



THE WORLD TODAY

Critically, the Goals must allow poor countries enough space to pursue their own development objectives, build their own economies and level the playing field.

These ambitions are the core of what Fairtrade will be working towards over the next five years and beyond, as we work to deepen our partnerships with businesses and government, sustained by our unique citizens' movement for change.



END POVERTY IN ALL ITS FORMS, EVERYWHERE

The Global Goals and Fairtrade

Of the 17 Global Goals agreed by the UN, Fairtrade focuses on eight where our efforts can make a specific contribution.



Goal 2:

End hunger, achieve food security and improved nutrition and promote sustainable agriculture



Goal 5:

Achieve gender equality and empower all women and girls



Goal 8:

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Goal 10:

Reduce inequality within and between countries



Goal 12:

Ensure sustainable consumption and production patterns



Goal 13:

Take urgent action to combat climate change and its impacts



Goal 16:

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Goal 17:

Strengthen the means of implementation and revitalise the global partnership for sustainable development

See Fairtrade's report on the Global Goals at

fairtrade.net/global-goals



WE NEED A WORLD WHERE TRADE IS A TRUE TOOL OF **OPPORTUNITY AND INCLUSION FOR ALL FARMERS AND WORKERS. OUR GLOBAL STRATEGY** UNITES US IN FIGHTING THIS BATTLE, TAKING **FAIRTRADE TO NEW LEVELS** OF IMPACT AND INFLUENCE TO MAKE THAT A REALITY.



THE WORLD WE WANT TO SEE

OUR VISION is of a world in which justice and sustainable development are at the heart of trade structures and practices so that everyone, through their work, can maintain a decent and dignified livelihood and develop their full potential.

By 2020, we want to see a world where farmers and workers have a greater share of the value from the products they produce, earning a living income or living wage that provides them with a sustainable, dignified livelihood.

We want to see a world where agricultural production is globally recognised, where women and men are empowered to speak out and farmers are able to deal with the devastating effects of climate change.



How incredible would it be if in five years we can say that the principles of equity, inclusiveness and transparency, along with respect for human and environmental rights and a commitment to fair pay, have been embedded in the way businesses operate?

By 2020, we want to see investments in rural communities and agricultural production focused on longterm social, environmental and economic benefit for all.

To change trade and change lives, we will be focusing on four goals over the next five years: Focus on Impact, Make Fairtrade Personal, Improve and Innovate, and Strengthen our Organisation.

LEARNING IS AT THE HEART OF IMPACT

Our **Theory of Change** describes the change we want to see in the world and our understanding of how we will contribute to it. There are three goals:



Goal 1 Make trade fair



Goal 2 Empower small producers and workers



Goal 3
Foster
sustainable
livelihoods



We will measure the success of our strategy against our Theory of Change and use it to analyse and adapt our interventions to deliver maximum impact. We will incorporate learning tools and impact data into all planning and decision-making processes. See our full Theory of Change at **fairtrade.org.uk**

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FOCUS ON IMPACT

WE WILL AIM TO CREATE TRANSFORMATIONAL CHANGE IN THE CATEGORIES FAIRTRADE IS BEST KNOWN FOR.

To create lasting change, we will focus on where we can deliver the greatest impact for producers. That means concentrating on cocoa, coffee and bananas, and focusing on those products where there are market or development opportunities. such as flowers and tea.

By 2020, we will have increased the volume of these commodities sold on Fairtrade terms.

By focusing more than ever on the impact we can deliver, we aim to make Fairtrade the norm in these products by 2020.

Over the next five years, we will focus on driving deeper impact through these products while delivering programmatic work on climate change, gender, productivity and hired labour. By 2020, we will have increased the number of producers who benefit from these programmes on the ground.



- ▶ We will support coffee farmers to become less vulnerable and more climate resilient and empower their producer organisations.
- We will push for living wage and living income for all Fairtrade banana producers.
- ▶ We will support Fairtrade's unique West Africa Cocoa Programme, a project designed to deliver productivity alongside organisational strengthening to Fairtrade cocoa smallholders.
- In flowers, we will work in partnership with other organisations to implement living wage and gender pilots on Fairtrade flower plantations.
- In tea, one of our priorities will be to improve workers' rights and welfare in North East India. We will have engaged three UK partners in this programme in five years.



MAKE FAIRTRADE PERSONAL

WE WILL DEEPEN THE EMOTIONAL COMMITMENT TO FAIRTRADE, AND TO **OUR MISSION OF FIGHTING** POVERTY THROUGH TRADE.

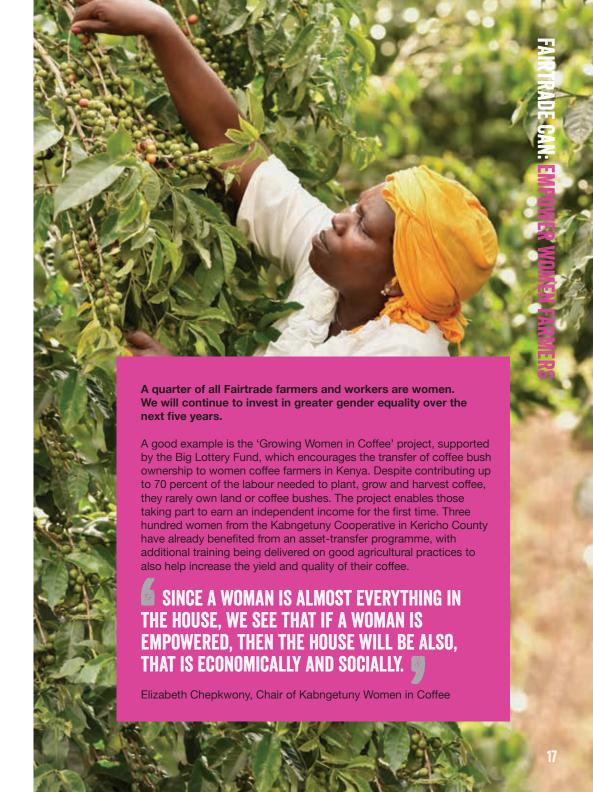
By 2020, we will have a brand that sparks an even greater emotional connection with citizens and consumers, increasing our supporter base while mobilising our current supporters.

We will highlight the need for Fairtrade and the problems it addresses, as well as demonstrating the difference people can make. That could be through buying a Fairtrade product, sharing information with friends, family and colleagues, taking action as part of a Fairtrade campaign, or donating money towards programmes to expand Fairtrade's impact and reach. We will bring our key themes - living wage and income, climate change and gender justice - to the fore. By 2020, we will have increased public awareness of the injustice of unfair trading practices, moving the public to act for the farmers and workers who produce what we enjoy each day.





- Parallel to this, we will seek to deepen our relationship with DFID and other relevant government departments, exploring how to further build the enabling environment for fairer trade in the UK and internationally.
- By 2020, we will have built and strengthened alliances and coalitions with policymakers and the media to influence change, amplifying the voices of farmers and workers.
- ▶ We will work with our global partners to rigorously measure and evaluate our own impact, building on what works and changing what doesn't.
- We will use our own insights, research and analysis, together with our business, civil society and government partners, to influence wider change in trade and business policy and practice.



IMPROVE AND INNOVATE

WE WILL DELIVER IMPACT THROUGH STRENGTHENING THE CORE MODEL AND INNOVATING NEW SERVICES.

The need for independent, third-party verification is greater than ever. Public trust demands it. Fairtrade will continue to offer this, backed by the best-known certification mark in the country, and more.

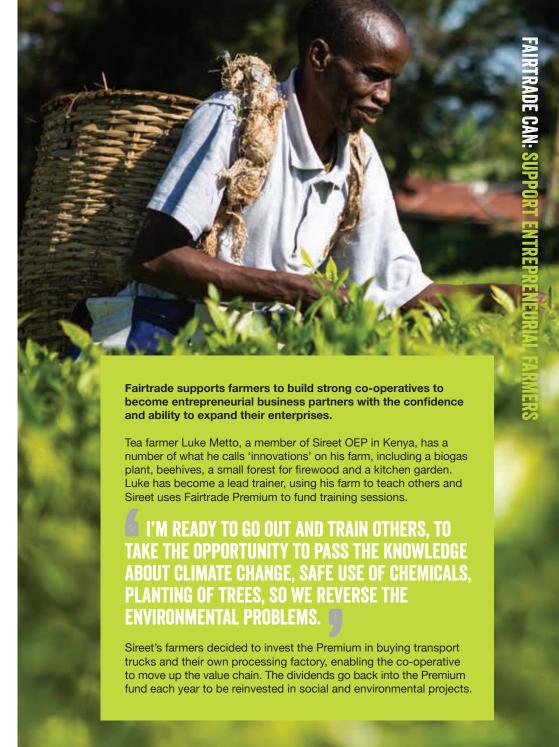
The Foundation's core function will remain its certification and licensing services. We are proud of the very high levels of public confidence in Fairtrade and we will continue to guard this very closely. We will also seek to find ways of improving our business processes, simplifying wherever possible, and driving licensee and customer satisfaction with the services we offer.

To generate further impact for producers and business partners, Fairtrade will also innovate beyond our core work under the FAIRTRADE Mark. Increasingly we are already working with a range of companies on innovations in their supply chains to add value and drive deeper impact – from climate change adaptation to cocoa productivity and bespoke programmes with women farmers.





- During the next five years of our evolution, we will complement the FAIRTRADE Mark with ways of working that range from product labelling to enabling business impact, always centred on the Fairtrade principles of empowerment, capacity, transparency and fair pricing that are the vital elements of sustainable development.
- By 2020, we will have evolved from a single approach of certifying products to a portfolio of services. We will increase the number of companies we work with that contribute to sustainable development in ways that really matter to farmers and workers, and which are accountable and transparent.
- We have already established a New Services and Partnerships team. They are already piloting new projects and 'value-add' initiatives with partners, expanding existing commercial relationships, creating new ones and laying the groundwork for impact and revenue growth outside of traditional licensing.



STRENGTHEN OUR ORGANISATION

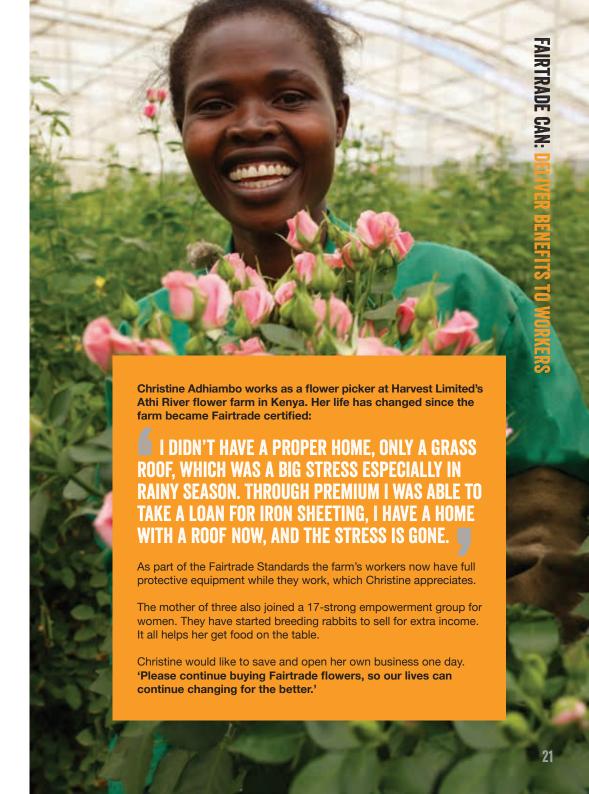
WE WILL PLAY A LEAD ROLE IN STRENGTHENING THE INTERNATIONAL FAIRTRADE MOVEMENT.

By 2020, we will have played a lead role internationally in becoming a simpler, more flexible, cost-effective movement.

Strengthening our networks at origin is of equal importance. Farmers and workers already own half of the system – by 2020, they will have even more say in how Fairtrade operates. Creating the change we want to see needs a best-in-class organisation. And by working together as one system, we can maximise our impact. On a national and international level we will lead where we have expertise and actively contribute elsewhere.

ACTION OPTIMISM RESPECT IN TEGRITY CHALLENGE

- We will support capacity building for producer networks in the South to deliver more services locally, channelling power back into the hands of farmers' and workers' own organisations and empowering them to deliver their own impact.
- We will invest in Monitoring, Evaluation and Learning, and impact assessment, and we will build a learning culture, based on evidence.
- We will develop and maintain a dedicated, talented organisation that values optimism, respect, action, challenge and integrity in all that we do to make trade fair. We will build on the success of our Bronze Investors in People award and continue to develop a values-led performance culture through our People Strategy.
- We will also implement our new fundraising strategy, scaling up our capacity for programmatic interventions and projects. By 2020, fundraising will be integrated into Fairtrade's core, delivering increased and diversified income for the Foundation.





INVESTING & GREATER OF A COMPANY OF A COMPAN

Donations and funding to the Fairtrade Foundation support projects that extend the reach and deepen the impact of Fairtrade for farmers and workers in the developing world.

This project work goes beyond the licensing of Fairtrade certified products. While we are doing more of it than ever before, there is still much more to do. Examples include:



Increased assistance to farmers and workers to join Fairtrade = better prices, working conditions and the Fairtrade Premium



Training to farmers to increase yield and quality of crops = more money to spend on basics like food and education



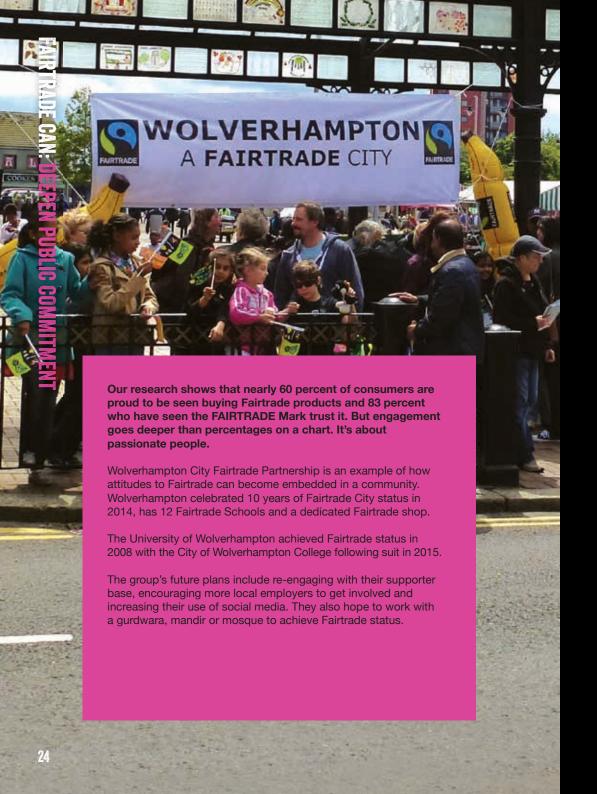
Instruction on climate change adaptation programmes = farmers can continue to produce the crops they rely on



Support to women farmers to take more equal roles = the chance to earn an independent income

If you or your organisation would like to support or invest in Fairtrade's programmes with farmers and workers, please contact us at **fundraising@fairtrade.org.uk** or on **020 3301 5041**.

Thank you



THROUGH OUR CAMPAIGNING WORK IN WOLVERHAMPTON, **WE CAN SUPPORT FARMERS** AND WORKERS TO PUT FOOD ON THE TABLE FOR THEIR FAMILIES BY HARNESSING THE POWER OF FAIRTRADE. EVERYONE **CAN SUPPORT FAIRTRADE BY LOOKING OUT FOR AND BUYING** FAIRTRADE PRODUCE.

Barbara Gwinnett, Wolverhampton City Fairtrade Partnership



OUR STRATEGY AIMS TO OFFER MORE. MORE BENEFITS FOR FARMERS AND WORKERS. **MORE OPTIONS FOR COMPANIES. MORE WAYS FOR INDIVIDUAL MEMBERS OF THE PUBLIC** AND LOCAL COMMUNITIES TO CONTRIBUTE TO CHANGE. **MORE INSIGHT AND IDEAS TO** TAKE TO GOVERNMENTS AND POLICYMAKERS. AS WE MOVE FORWARD, WE INVITE ALL OF YOU TO REACH OUT AND WALK WITH US ON THIS NEXT EXCITING STAGE OF OUR FAIRTRADE **JOURNEY, SO WE CAN ALL** DO MORE - TOGETHER.





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fairtrade.org.uk

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