UNLOCKING THE POWER OF THE MANY

Fairtrade Foundation’s 2013-15 strategy
I am delighted to introduce our 2013-15 strategy, **Unlocking the Power of the Many.**

Over the last five years, Fairtrade sales in the UK have grown by 80 per cent from £836 million in 2008 to **£1.5 billion** in 2012. Fairtrade is firmly established in the mainstream markets.

Fairtrade offers a model that has been shown to work; now we must improve its impact for farmers and workers and take it wider. **Unlocking the Power of the Many** catalyses the next phase of our development and is our springboard for the future.

*David Clayton-Smith,*  
*Chair, Fairtrade Foundation Board*

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**Our vision**

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.

**Our mission**

The Foundation’s mission is to work with businesses, community groups and individuals to improve the trading position of producer organisations in the South and to deliver sustainable livelihoods for farmers, workers and their communities by:

- being a passionate and ambitious development organisation committed to tackling poverty and injustice through trade
- using certification and product labelling, through the FAIRTRADE Mark, as a tool for our development goals
- bringing together producers and consumers in a citizens’ movement for change
- being recognised as the UK’s leading authority on Fairtrade.
Foreword by the Chief Executive, Michael Gidney

Fairtrade has always been about the power of the possible. From campaigners cajoling local supermarket managers to stock the first Fairtrade products, to the huge London 2012 Games commitment to source 100 per cent Fairtrade tea, coffee, sugar and bananas, putting power into people’s hands has built a market for farmers and workers worth £1.5 billion in the UK – the biggest in the world.

Five years ago, as part of our strategy to mainstream Fairtrade, we and our partners set out to expand the reach and impact of Fairtrade in Africa, a region then woefully underrepresented in international trade. Today, more than 60 per cent of the 1.24 million farmers and workers involved in Fairtrade are in Africa. Fairtrade has helped create a more level playing field, but it’s farmers and workers themselves who have shown what can happen when they have a shot at the goal. Take the 8,000 tea growers who own the Iria-ini Tea Factory in Kenya: they used the confidence and business prowess they gained from selling on Fairtrade terms to start packing their tea at source.
With support from the UK government and Marks & Spencer on their journey from tea pickers to packers, they now earn an extra $2-$3 per kilo, capturing more value where it is needed most. This in turn has inspired them to diversify into the local and regional market – theirs will be one of the first Fairtrade certified products available in East Africa. It’s win-win – supermarkets get finished Fairtrade tea and the farmers have a growing business, moving up the value chain and diversifying, balancing risk with opportunity in different markets. It’s just one example of the power of collaboration – putting value and ownership back into the hands of producers. And it is this dynamism and energy which enables Fairtrade to have such an impact.

By 2012, Fairtrade turned 18 and came of age. The trailblazing path laid by Fair Trade Organisations Divine Chocolate, Traidcraft, Equal Exchange, Cafédirect and Fulwell Mill among others, was finally tipping into the mainstream, with major switches in tea, sugar, coffee and bananas by Co-op, Sainsbury’s, Waitrose and Morrisons, and several of the UK’s favourite brands – Ben & Jerry’s, Cadbury Dairy Milk, Tate & Lyle and KIT KAT converting to Fairtrade. Fairtrade campaigns had taken root in over 500 towns and cities, over 5,000 schools, 150 universities and colleges and 7,000 different faith groups, and recognition of the FAIRTRADE Mark had risen to 78 per cent, the highest of any ethical label.

Our new strategy builds on this and recognises that together – producers, businesses and the UK public – we hold incredible power to deliver even greater impact and wider change, to learn from the past and adapt for the future. Let’s use it. Let’s unlock that power and change trade for good.

Tammy Stewart-Jones, campaigner, Thanet Fairtrade Island
Fairtrade: responding to a changing landscape

In developing our new strategy, we need to respond to the rapidly changing context in which we work.

2015 is the deadline for the achievement of the Millennium Development Goals. While there has been progress in tackling some aspects of poverty, such as primary school education and infant mortality rates, the reality for millions of farmers and workers remains one of extreme poverty, with families struggling to make a livelihood, living in communities without many basic services. The last few years have seen severe volatility in food, fuel and fertiliser prices. Smallholder farmers produce 70 per cent of the world’s food, but also make up half of the world’s hungry people. Fairtrade Premiums, which averaged over £68,000 per certified producer organisation in 2011, are therefore still critical in their impact – from investing in food storage, to productivity and quality improvement, as well as vital community amenities.

Supporting sugar farmers to move up the value chain

In 2011 the Manduvirá Co-operative in Paraguay began building a first-of-its-kind producer-owned mill. Now rather than paying transportation and rental costs to another factory over 100km away, this mill, partly financed by the Fairtrade Premium, will significantly improve the lives of sugar farmers, workers and their communities. Manduvirá is a perfect example of development through Fairtrade.
Yet we must do more to address power imbalances in global trade. While global commodity prices in products such as cocoa, coffee and tea have grown overall, only a small proportion of this has trickled back into farming and working communities. Today, a cocoa farmer typically earns just 3-6 per cent of the final price of a chocolate bar, compared to 18 per cent in the 1980s. For millions more workers on farms and in factories, access to freedom of association or living wages continue to be out of reach. Impact research shows that while Fairtrade is delivering worker and farmer benefits, we can only unlock further and deeper progress on issues such as living wages or climate adaptation if we work with industry as a whole.

In today’s hourglass economy, access to markets for millions of producers is only via a small number of traders, manufacturers and retailers, who in turn dominate market choices for millions of consumers. Fairtrade works inside this system, unlocking the opportunities for farmers and workers that large scale businesses can offer, but also outside it – widening trade channels through the development of alternative supply chains. We’ve got to get this balance right for continuing success and deeper impact for farmers and workers.

In coffee 25 million small farmers sell into a market of which 40 per cent is controlled by just four traders.
Farming communities throughout the Fairtrade system and beyond are facing the effects of climate change. Changing rainfall and harvest patterns, rising temperatures and greater numbers of extreme weather events such as hurricanes and flooding, pose new challenges for farmers, for example the Windward Islands banana growers devastated by Hurricane Tomas in 2010, or the regular landslides affecting the coffee growers of the Gumutindo co-operative on Mount Elgon, Uganda. Many Fairtrade producer organisations are investing Fairtrade Premiums in climate resilience programmes such as planting more trees, exploring new crop varieties or investing in low-energy technologies. We need to rise to the challenge in the next few years, encouraging trading relationships that deliver investment in sustainable agriculture, diversification and adaptation.

Over the past five years however, many more businesses have recognised the importance of sustainability and smallholder farming is rising up the business and political agenda, more than at any time in our history. We’ll have a predicted global population of 9 billion by 2050. In an increasingly resource-scarce world, this demands radical new ways of living, working and doing business.

**Kagera Coffee Co-operative Union Ltd (KCU), Tanzania**

> ‘The benefits of Fairtrade are much, much wider than just price – now I know how to export. If Fairtrade had not come in, we wouldn’t have known how to export. We have contacts in Europe who give us information on the markets. Before we didn’t know the language of futures, or markets – now that is also our language and we can impart a bit of that to the farmers. Now even the farmers ask about the price in London!’

*John Kanjagale, Export Manager, KCU*
Here in the UK, a tough economic environment since 2008 means shoppers are watching food prices and worrying about domestic concerns. However, consumers also expect more from companies than ever before and the pressure on business to act responsibly and put sustainability at the heart of what they do has also intensified, including how they treat the farmers and workers who supply them. Today, more than 500 Fairtrade Towns have been joined by the rise of a vibrant transition movement, Eco-Schools, tax justice campaigns and more, all working to bring global and local concerns together. This offers a powerful opportunity for us to unlock the power of the UK public and connect farmers to consumers in innovative ways, taking advantages of huge shifts in mobile and digital technology for farmers and consumers alike.

In this context, our new strategy is to build on the success to date, to learn, improve and strengthen our work for the future and unlock the power of the millions of farmers and workers, thousands of business partners and millions of Fairtrade supporters with whom we work.

CONACADO, the National Confederation of Dominican Cocoa Producers, Dominican Republic

‘The great thing about Fairtrade is that it enables cocoa farmers like me to have a say in shaping our future through talking and working directly with retailers and companies. Our biggest worry is ensuring that we have a guaranteed market for our cocoa that provides us with long-term sustainable livelihoods. Through the pricing structure and the Fairtrade Premium we will be able to invest in both our business and our community to ensure a brighter future for our family, other farmers and our friends.’

Santos Mendoza, CONACADO
Fairtrade: building a model for change

We are a member of a growing international network of Fairtrade organisations, united by a common strategic framework.

We believe we have a unique model of change, operating simultaneously across four spheres of influence – from the farmer and worker organisations who now own 50 per cent of our system, to businesses involved in Fairtrade supply chains, community groups, NGOs and campaigners who build civil society awareness and action for wider policy change and ordinary people purchasing Fairtrade products. By connecting these, we hope to create a virtuous circle of collaborative action to make a real difference for the communities involved in Fairtrade and even beyond.

Our goals for 2013-15

Over the next three years we will build on our success and focus on the following three goals:

1. Increase impact and sales for producers

2. Galvanise public support and action

3. Cultivate an inspiring and effective organisation
We will unlock the power of companies to deliver impact for farmers and workers through Fairtrade product certification and the FAIRTRADE Mark. Coffee, tea, bananas, cocoa and sugar still deliver the bulk of producer sales and Fairtrade Premiums, and the UK remains the most important Fairtrade market globally for many of these. They’re still our core priorities, developing our expertise in making trade really work to reduce poverty. We will focus on achieving deeper impact and stronger business partnerships in existing products, rather than introducing lots of new product categories in the next three years.

One in three bananas sold in the UK is Fairtrade. We believe we could make this one in two by 2015. For coffee, the café, restaurant and out-of-home sector in particular still offers many opportunities to increase Fairtrade sales for farmers. For Fairtrade chocolate and sugar – which is now estimated to be 40 per cent of the UK market – we now want to ensure Fairtrade growth leads to lasting change for farming communities.

We will unlock new partnerships with business to go further with Fairtrade.

The world of certification and sustainable sourcing is rapidly changing. As well as extending our existing model we will explore new ways of building partnerships with business in products such as cocoa, sugar and cotton to unlock greater commitments to buy from farmers and workers on Fairtrade terms. Our ambition is to triple the volumes of Fairtrade cotton sold in the UK by 2015. We will also continue to nurture newer products, such as Fairtrade and Fairmined certified gold and silver.

Fair Trade Organisations continue to play a unique and vital role, demonstrating how to do business differently and put development at the heart of the trading relationship. We will work closely with them to find innovative ways to tell their unique story to consumers and bring the benefits of Fairtrade to the most marginalised farmers and workers.

We will challenge, support and incentivise businesses to unlock deeper impact and commitment.

We work with over 450 companies so we and our partners are uniquely placed to deliver real impact for farmers and workers. We want to deepen and create new partnerships with businesses that go beyond minimum Fairtrade standards, including investments in developing supply chains that add more value for farmers, workers and their communities, or that strengthen relationships with smallholder farmer organisations as trading partners.

By 2015

- UK Fairtrade sales will increase from about £1.5bn to over £2bn and annual Fairtrade Premiums from sales will increase from £23m to over £31m
GOAL 2 Galvanise public support and action

We will unlock the power of the grassroots movement. Fairtrade is backed by one of the most dynamic grassroots movements in the UK, ordinary people who have worked to build public awareness of the FAIRTRADE Mark beyond any other ethical label, engaging local communities in Fairtrade in ever more creative and inventive ways.

Fairtrade campaign groups are developing their own joint local campaigns and we will support this, through development of 12 regional campaign networks, with a voice into the Fairtrade Foundation. We will also focus on the next generation of Fairtrade activists, working with schools, universities and student organisations to deliver youth-led campaigning. Overall, our target is to increase the number of local campaigns groups from 8,600 today to 11,000 by 2015.

We will unlock the power of the public and Fairtrade supporters to bring about long-term change on trade.

In 2013, we will also unlock the power of our grassroots movement to deliver wider change, with the launch of a new three-year Make Food Fair campaign. This will tackle some of the structural injustices in food supply chains and encourage fair and responsible consumption of food.

Recognising the scale of UK public support for Fairtrade, we will create more opportunities for individuals to support Fairtrade through purchasing, campaigning and donating, aiming to increase our active supporter base from 100,000 to 500,000 by the end of 2015.

Underpinned by more sophisticated consumer insight we will target joint campaigns more effectively with the businesses we work with too. We will also develop more international marketing and PR campaigns with Fairtrade organisations across the world, with the first launching in autumn 2013.

We must maintain relevance and trust in the FAIRTRADE Mark, so it’s critical we communicate the impact Fairtrade is making, as well as the challenges we still face. We will draw on independent research and impact assessment, as well as digital technology, and a new media strategy, so that farmers and workers can communicate more directly with the UK public.

In 2014, we will celebrate the 20th anniversary of Fairtrade products in the UK, a good time to reflect on success, but also to bring the Fairtrade movement together to learn and look to the future.

By 2015

• Half a million people will be actively engaged and pushing for faster and deeper change
• Over 50 per cent of the population will be actively choosing Fairtrade
GOAL 3 Cultivate an inspiring and effective organisation

We will unlock the power of our organisation and our people. We’ll only be able to deliver impact and sales for farmers and workers and fire up the public to take action if we cultivate an inspiring and effective organisation, part of an efficient and well connected international Fairtrade system.

Impact is central to our strategy. We will put what we have learned from our impact assessment and research into strategic planning and business relationships and publish social impact reports, available from 2014.

We recognise our people are passionate and committed and we will invest in staff and the working environment and build a learning organisation.

We will be effective and accountable to those who invest in us, using well designed, straightforward systems and processes, underpinned by robust information and data. We will make it easier and simpler for partners to work with us and improve our internal systems and the way we work to be more efficient and make informed decisions.

We’re the largest Fairtrade organisation within an interdependent network of Fairtrade organisations, so we have an important role. We will increase our collaboration internationally and champion development of a global financial and planning model, to reduce duplication and secure increased investment for our work with farmers and workers in developing countries.

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Our Values

OPTIMISM

RESPECT

ACTION

CHALLENGE

INTEGRITY

Call to action to Unlock the Power of Many

The job is not done. We need to work together to make our vision a reality. Together we can unlock the power of the many.

• We ask farmers and workers and their networks to work closely with us, to guide our direction, challenge us and help us inspire people in the UK to deliver more for smallholders, workers and artisanal miners.

• We encourage business partners to go further with us to make Fairtrade values and practices part of their sourcing plans, their trading relationships and their communications with their customers.

• We call on the public to go further to turn awareness of Fairtrade into action – so that more demand leads to more products being traded more fairly as the norm.

• We invite Fairtrade supporters and campaign groups, our member organisations, trade unions and NGOs to work with us to make the Fairtrade movement an even bigger, louder force for change in calling for a fairer and more sustainable food system.

• We ask donors and governments to work with Fairtrade to expand and deepen its impact for producers and to channel investment in ways that puts power back into the hands of farmers, workers and miners.

Luton Fairtrade Town – an act of faith

Luton’s campaign is a truly cross-community effort, involving people of all ages, from many different ethnicities and faiths – including Muslims, Sikhs, Hindus, Jews, Christians and people with no particular faith affiliation. From hosting a Fairtrade banana farmer and a Fairtrade football tournament, to producing local resources, working with Bedfordshire University and schools, Luton’s creative community approach was rewarded with the Outstanding Achievement trophy in 2012’s Fairtrade Campaigning Awards.
A huge difference in our lives is that now our children can actually go to school, our coffee is being recognised in the market for the quality we produce, and our members can be proud again to be farmers.

CENFROCAFE
(Central Fronteriza del Norte de Cafetaleros), Peru

Thank you

Our 2013-15 strategy was developed between June 2011 – December 2012 through extensive external and internal consultation. We would especially like to thank our Board of Trustees and the external contributors to our Board away day in June 2011.

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