

*"The fair-trade minimum price is guaranteed and doesn't fluctuate."* Chantal Havard

# Equality is building block of global trade movement

## BUSINESS MODEL CREATES OPPORTUNITY

Producers who want to use fair-trade label must meet international standards

### What is fair trade?

Fair trade aims to make sure the producers in developing countries are paid a fair wage and treated fairly in the exchange with the buyer.

The International Fair Trade Association ([www.ifat.org](http://www.ifat.org)) describes fair trade as a method of commerce that creates "opportunities for producers who have been economically disadvantaged or marginalized by the conventional trading system."

Transparent management and business practices that deal "fairly and respectfully with trading partners" are also elements of fair trade, which seeks to "develop producers' independence by improving their management skills and their access to new markets."

The price offered to fair-trade producers is agreed through "dialogue and participation."

It is important that this payment "covers not only the costs of production but enables production that is socially just and environmentally sound. It provides fair pay to the producers and takes into account the principle of equal pay for equal work by women and men."

### Who certifies fair-trade products?

In this country, TransFair Canada, an independent, non-profit certification body, ensures fair-trade standards are met.

"For a company to put our logo on their products, they need to have a contract with us," said Chantal Havard, TransFair's communications co-ordinator.

A coffee roaster wanting to sell fair-trade-certified coffee must apply, demonstrate a good record, explain its interest in marketing and selling fair-trade products and must buy from a certified co-operative in a developing country, Havard said.

A fair-trade-certified product

carries the TransFair Canada logo either on the front of the package or on a sticker.

### What fair-trade-certified products can be found in Canada?

According to TransFair Canada, as of May 2006, you can find certified coffee, tea, sugar, cocoa (including chocolate), bananas, mangoes, rice, quinoa, spices, roses, soccer balls and volleyballs, wine and cotton.

### Who sets the standards?

Fair-trade standards are set by the Fairtrade Labelling Organization, a Germany-based umbrella organization that develops rules for each certified product. Regional managers and co-ordinators work for the organization in Latin America, Africa and Asia.

"The fair trade minimum price is guaranteed and doesn't fluctuate," Havard said, even as prices go up and down across the world markets.

The base price, she said, is calculated depending on the quality of the coffee, for example, the origin of the product and the cost of living, with "some small differences from one country to the next. The minimum price has to cover the cost of production and allow people to make a decent living."

Many organizations in developing countries are "knocking on the door of FLO under the fair-trade banner," she said. "But the FLO won't certify an organization if they aren't sure they can sell at least a percentage of their product, if the demand isn't high enough in the north."

The fair-trade-certification system now represents 550 certified producer organizations in 51 developing countries.

### Where can I find fair-trade products in Montreal?

Fair-trade products are sold in

hundreds of locations in Montreal, said Dario Iezzoni, managing director of Equita, Oxfam-Québec's fair-trade operation.

While the Ten Thousand Villages stores – there are three in the Montreal area known as Dix Mille Villages – are the primary source for fair-trade crafts, coffee and other food products are sold in many grocery stores, he said.

One of the first places to sell TransFair certified products, in 1997, was Café Rico in the Plateau Mont Royal district, Havard said. Oxfam-Québec and many smaller companies, like Café Santropol and Plan Nagua in Quebec City, followed.

According to Iezzoni, the first grocery store to introduce Equita coffee was Loblaw's in 2000, Metro followed suit in 2003 and many IGAs have carried the product since 2001.

There are more than 500 locations in Montreal where fair-trade coffee and other products are available, he said, including 300 independent stores. Fair-trade products are sometimes sold by sports clubs, church groups and schools.

### Do fair-trade products cost more?

Not all fair-trade certified products cost more, Havard said. When they do, it is probably because they're of better quality due to organic practices. (many fair-trade products are also organic), they're from smaller-scale productions or because retailers have set a higher price.

It has been suggested that a fair-trade product should cost between 10 to 15 per cent more than a conventional product.

### Where can I learn more about fair trade?

For more information on where to buy fair-trade products, in Montreal, consult [www.oxfamfairtrade.ca](http://www.oxfamfairtrade.ca), [www.equiterre.org](http://www.equiterre.org) or [www.dixmillevillages.com](http://www.dixmillevillages.com).

These sites, plus [www.transfair.ca](http://www.transfair.ca), also offer general information about fair trade practices in Canada.

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