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Fairtrade towns: The local response to a global issue

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Introduction

The philosophy of fair trade is about addressing the negative externalities of traditional trade markets that have long been associated with the commodities market in so-called 'developing countries'. These negative, market-driven consequences of trade have included poor working conditions, child labour, depressed rates of pay and poor opportunities for progression. The Fairtrade movement tried to address these issues by insisting upon a 'fair' price or wage. Fair trade also relies upon consumers being willing to value this ethical approach in their purchases.

The past decade has seen a major expansion and development in the presence of Fairtrade products within the UK. This has recently culminated in the announcement from the Government that they will be providing £12million in funding over the next four years to fair trade and the Fairtrade Labelling Organisation International (FLO). This important announcement reflects the sustained appreciation and support that is being given to the Fairtrade Movement within the UK and the growing importance of ethical consumerism within society today.

The UK has often been referred to as a 'leader' of the Fairtrade Movement due to the opportunities available for consumers to choose Fairtrade products, with over 4,500 Fairtrade certified products currently being available¹. The growing use of Fairtrade has been boosted by the introduction and expansion of the Fairtrade Towns Movement, which is based upon boroughs, zones, villages, towns, counties, cities and islands meeting set goals that work to increase levels of understanding and sales of Fairtrade products as a means of highlighting the commitment of a community to the Fair Trade Movement.

¹ UK Government Announces £12 million investment for Fairtrade on 15th Anniversary of the Fairtrade Mark, The Fairtrade Foundation, 10/10/09.
http://www.fairtrade.org.uk/press_office/press_releases_and_statements/october_2009/uk_government_announces_12_million_investment_for_fairtrade_on_15th_anniversary_of_the_fairtrade_mark.aspx

The Fairtrade Towns Movement emphasises how the UK is leading the way internationally in regards to fair trade. From the development of the worlds first Fairtrade Town in Garstang, Lancashire, in 2001, a further 453 Fairtrade Towns across the UK have since been introduced. This has led to international interest and networking, with eighteen countries across the world following the initiative of Garstang and other UK Fairtrade Towns, ranging from Belgium to Brazil, Norway to New Zealand.

This Local Work will appreciate local responses to fair trade and the impact that the local community can have on an international movement, relating to the global issue of reducing poverty through fair trading practices. An in depth consideration of the growth of Fairtrade will first be given, followed by a focus on the Fairtrade Towns Movement. This will then be considered in more detail through the use of two case studies. Finally, the involvement of central and local government in fair trade in the UK will be acknowledged.

The growth of fair trade in the UK

Definition: Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. By requiring companies to pay sustainable prices (which must never fall lower than the market price), Fairtrade addresses the injustices of conventional trade, which traditionally discriminates against the poorest, weakest producers. It enables them to improve their position and have more control over their lives².

The overall success of fair trade is exemplified by the fact that fair trade sales reached €2.89 billion globally by the end of 2008³ and during 2008 alone over £700 million was spent on Fairtrade goods in the UK⁴. In appreciating how the UK has been able to achieve such high spending figures on Fairtrade products, especially during a time of economic instability, it is necessary to acknowledge the development of the movement over recent years. To supplement this acknowledgement, the economic benefits, and the social and environmental impacts of fair trade in developing countries are given in table 1 below.

Table 1

<i>Economic inputs of fair trade</i>
<ul style="list-style-type: none"> • Buyers are required to pay a stable fair trade minimum price calculated to cover the costs of sustainable production. • Buyers are required to pay a fair trade premium to producer organisations for producer organisations to make livelihood investments and to improve the situation of local communities. • Opportunity for pre-financing. • Contracts that allow long-term planning. • Increased access to export markets.

² *Fairtrade in General: FAQs* Fairtrade Foundation website, http://www.fairtrade.org.uk/what_is_fairtrade/faqs.aspx

³ *A Review of the Impact of Fairtrade over the Last Ten Years*, Nelson, V. and Pound, B. (2009) Natural Resources Institute, University of Greenwich. http://www.fairtrade.org.uk/resources/natural_resources_institute.aspx

⁴ *Fairtrade Foundation Annual Review 2008/2009*: Fairtrade Foundation, London http://www.fairtrade.org.uk/includes/documents/cm_docs/2009/f/fairtrade_ar_09.pdf

Social and empowerment impacts of fair trade through FLO standard requirements

For *small farmers*, FLO standards require:

- A non-discriminatory, democratic organisational structure that enables farmers to bring a product to the market.
- The organisation must be set up in a transparent way.
- It must not discriminate against any particular member or social group.

For *hired labour*, FLO standards require:

- The company involved to bring social rights and security to its workers.
- Training opportunities.
- Non-discriminatory employment practices.
- No child or forced labour.
- Access to collective bargaining processes.
- Freedom of association.
- Conditions of employment exceeding legal minimum requirements.
- Adequate occupational safety and health conditions.
- Sufficient facilities for the workforce to manage the fair trade premium.

Environmental impacts

- Fair trade requires minimised and safe use of agrochemicals.
- Proper and safe management of waste.
- Maintenance of soil fertility and water resources.
- Prohibits use of genetically modified organisms.
- Requires organisations to assess their environmental impact and develop plans to mitigate it.

Source: *A Review of the Impact of Fairtrade over the Last Ten Years*⁵

The purchasing of Fairtrade products in the UK was first initiated by the introduction of the Fairtrade Mark onto products, which met international fair trade standards in 1994. Beginning with three certified products, the Fairtrade label has rapidly developed over the last fifteen years, with the label appearing on over 4500 retail and catering products⁶ and now being recognised by seven out of ten people in the UK⁷. Beginning with chocolate, coffee and tea, the range of products has expanded to now include a range of food products, including: bananas, dried fruit, juices, sugar and wine. A range of non-food products has also been introduced into the fair trade market, including: sports balls, cut flowers, cotton clothing and beauty products. To summarise, the UK's use and awareness of Fairtrade products is greater than any other Western country, with approximately 20% of bananas and 20% of roast and ground coffee sold in the UK now being Fairtrade⁸.

⁵ *A Review of the Impact of Fairtrade over the Last Ten Years*, Nelson, V. and Pound, B. (2009) Natural Resources Institute, University of Greenwich. http://www.fairtrade.org.uk/resources/natural_resources_institute.aspx

⁶ *UK Overseas Aid Budget to Boost Fairtrade*, Fairtrade Foundation, 07/07/09. http://www.fairtrade.org.uk/press_office/press_releases_and_statements/july_2009/uk_overseas_aid_budget_to_boost_fairtrade.aspx

⁷ *Fairtrade Foundation Annual Review 2008/2009*: Fairtrade Foundation, London http://www.fairtrade.org.uk/includes/documents/cm_docs/2009/f/fairtrade_ar_09.pdf

⁸ *Fairtrade in General: FAQs* Fairtrade Foundation website, http://www.fairtrade.org.uk/what_is_fairtrade/faqs.aspx

Whilst traditionally the fair trade movement has been associated with developing countries, its principles are increasingly being applied to ethical consumerism in the UK, such as the purchase of local food and produce. The theory is that people will be willing to pay, in some cases more, for food that they regard as having greater value because it has been ethically produced, leading to calls for fair trade for British farmers.

The Fairtrade Town Movement

A Fairtrade Town is a community with set goals, who are working to increase levels of understanding and sales of Fairtrade products as a means of highlighting the commitment of a community to the Fair Trade Movement. The foundations of the Towns are based around working towards five core goals⁹ :

- a resolution being passed by the local council supporting fair trade and agreeing to serve Fairtrade products when it is possible;
- a range of Fairtrade products being made available locally;
- schools, workplaces, community organisations and places of worship using Fairtrade products when it is possible;
- events and media coverage helping to increase the awareness and understanding of fair trade within the community;
- the formation of a fair trade steering group that represents different sectors enabling coordinated action around the above goals and ensuring their development in the future.

The initiative is essentially based upon individuals uniting together to increase sales and to raise awareness of development issues for the benefits of farmers and workers in developing countries. The unique power of the Movement comes from the fact that it has enabled Fairtrade to become part of the everyday life of British citizens, "*They bring the challenges facing developing world producers and the promise of positive action to make a difference into the immediate locale and everyday life of ordinary citizens*"¹⁰. It is therefore not an idea only taken forward by avid international development campaigners with a history of fundraising and campaign work, but a movement for all people of all ages.

Further reasoning behind the success of Fairtrade Towns is the localness of the campaigns. The imperativeness of localness within the campaigns has ensured that there is prior knowledge of the target audience within a community. This is summarised within an evaluation of the impact of the European Fairtrade Towns Movement by the Fairtrade Foundation, "*Whilst well designed and managed nationally targeted awareness-raising campaigns can undoubtedly reach a high number and wide range of people, especially if undertaken through collaboration with a range of partners, local campaigning will always be even more effective at targeting people*"¹⁰.

A key statistic to acknowledge when considering the UK's approach to fair trade is the fact that there are currently 755 Fairtrade Towns across the world, with 454 of these being in the UK alone. Within the UK, the formation and development of Fairtrade towns has been enhanced by the catalytic nature of the campaigns. Since Garstang, more and more communities have wanted to become involved in fair trade action. This has often been developed from within the community, as opposed to being led by local councils. To enable further appreciation of the eagerness of UK citizens to become involved in fair trade, and the subsequent effects that community involvement can have on the Fairtrade Movement, a case study of the Fairtrade town of Keswick is given below. This is followed by a comparison case study of the London Borough of Wandsworth, where the decision by the local council to not support the Borough becoming a Fairtrade Town has severely restricted the development of the community's fair trade campaign.

⁹ *The Five Goals*. Fairtrade Towns. <http://www.fairtradetowns.org/about/the-five-goals/>

¹⁰ *We're Part of Something Huge: How Fairtrade Towns in Europe are a Uniquely Powerful Movement for Local Change and Global Sustainable Development*. Fairtrade Foundation (Louise Taplin), 2009.

Case Study 1 Keswick: A Fairtrade Town

The Cumbrian town of Keswick has been highly regarded for its major commitment to fair trade in recent years. Having a population of approximately 5000, it began its fair trade activity in 2003 and the town became England's 80th Fairtrade Town in early 2005, with the Keswick and District Fair Trade Campaign being a founding member of the Cumbrian Fair Trade Network¹¹. This county led network paved the way for Cumbria to receive Fairtrade County status in 2006. Further to this, in 2008, the Keswick district became the first community-based Fair Trade campaign in the country to achieve charitable status¹².

Keswick is a prime example of a community led campaign. Having been initiated in the Church, like many fair trade campaigns, this affiliation was reduced over time to enable greater involvement from a broader scope of people within the community. Since the initial stages of its development into a Fairtrade Town, Keswick campaigners have approached fair trade through appreciating the mutually beneficial aspects of the movement for both developing countries and for the local area. This was highlighted in an inaugural meeting of the towns Fair Trade Campaign in June 2003 which launched the slogan: 'Keswick for Fair Trade: Fair Trade for Keswick'¹³. Although it has the support of the local council, demonstrated by it passing all five of the necessary criteria for it to become a Fairtrade Town, it is clearly a community based campaign that is held together by a strong, mainly retired committee base of around six people who meet on a fortnightly basis to ensure developments and awareness raising continue within the area.

As a town that is heavily reliant on tourism, the fair trade campaign has been developed through working in particular with the tourist sector. This was first initiated through introducing Fairtrade tea and coffee in bed and breakfasts, café's and self-catering accommodation. This area of the campaign has steadily increased in recent years. Further devices that have been used by the campaign group include: coffee mornings; knocking on doors to raise awareness of events; and through improving links with Keswick Tourist Association. This included one of the lead campaigners joining the board of the KTA and joining the association as a paying member, entitling them to a page on the KTA website and information being published about them within KTA booklets. This can be considered key to the further development of Fairtrade within Keswick enabling the campaign to become increasingly mainstream.

Keswick's Fairtrade campaign also stands out due to its early decision to be a membership-based campaign. Currently there are approximately 300 members who pay an annual fee of £10 towards the campaign. The membership base is made up of local residents and businesses that have the benefit of being linked with fair trade on the Keswick Fairtrade website. The campaign's membership base has provided an income and helped increase the credibility of the campaign through local networking and partnership building. It also aided them gaining charitable status which has further helped financially by allowing them to recuperate tax.

Another successful aspect of Keswick's campaign is its friendship links with the Choche Coffee Farmers' Cooperative in Ethiopia. Having a link of this kind was an early idea for the campaigners and it has been developed over time. This has included visits to Ethiopia and return visits from farmers in Choche to Keswick. These visits have been considered as imperative to the development of this link, with the impact of the people of Keswick hearing

¹¹ *About the Keswick Campaign*. Keswick Fair Trade.
http://www.fairtradekeswick.org.uk/?c=fairtrade&a=fair_trade_keswick

¹² *Keswick and District Fair Trade Campaign: Annual Report 2008*
<http://www.fairtradekeswick.org.uk/?c=resources&a=index>

¹³ *Keswick and District Fair Trade Campaign: Summary Report Year One: March 2003 – June 2004*
<http://www.fairtradekeswick.org.uk/?c=resources&a=index>

the positive stories of how fair trade has improved the livelihoods of the people in Choche being essential to increased community involvement.

Currently, further links are being considered and there has been recent interest from Keswick's Rotary Club in regards to helping to develop a micro-credit fund, emphasising the continual growth and expansion of the Fairtrade Movement within the community of Keswick. Through speaking to a lead campaigner within the town, it is clear that they are determined that fair trade should continue to expand, so that fair trade is ultimately a part of the fabric of the community in Keswick. The campaign group are now beginning to concentrate more time on the links between buying Fairtrade and buying local produce. They are in the early stages of planning a conference for 2010 where the relationship between the two campaigns can be examined, whilst ensuring that the differences between them are still clearly articulated.

From the evidence above, it is apparent that Keswick's Fairtrade campaign group are actively attempting to promote and develop the awareness and purchasing of Fairtrade products on a continual basis. This has had impacts both in the developing countries that the Fairtrade products are being sought from, as well as within the community of Keswick. Fair trade has enabled the community to work together to achieve success and has increased awareness of the struggle that farmers and workers in developing countries experience. As well as this, it has enabled partnerships to develop in regards to other more sustainable means of living, such as the buying locally ideology, emphasising the importance of the campaign in helping the community to work towards a more sustainable future.

Although the local council has not been mentioned much within this case study, it is important to acknowledge that their backing allowed Keswick to pass all five goals needed for it to become an official Fairtrade Town. Through having the underlying support of the local council and having a strong committee base with forward-thinking ideas and determination for change and development in regards to fair trade within the local community, Keswick can be confirmed as an important example of good practice in regards to a Fairtrade Town. Its key challenge is now to ensure that there are enough young people involved with the committee as strong activists and not just 'interested supporters'.

Case Study 2

Wandsworth: Attempts at Fairtrade

In contrast to Keswick, where the local steering group gained strong support from the local council, Wandsworth demonstrates that establishing a Fairtrade town and negotiating local relationships can be challenging. The Wandsworth steering group has temporarily withdrawn their efforts to become an official Fairtrade town following two attempts to gain the support of Wandsworth Council to encourage fair trade, for example through an agreement to serve fair trade produce. Both attempts culminated in rejection.

Although local councils are not the be all and end all of a fair trade movement within a community, comparisons between discussions with a campaigner from the Keswick steering group and from the Wandsworth steering group emphasise how helpful it is to have the local council on board. Through gaining their support, Keswick have been able to meet all of the necessary criteria that have enabled them to become a Fairtrade town and to then develop independently as a community campaign. Without this local authority support, the Wandsworth group have not been able to achieve this status or the awareness raising benefits that come with it.

In considering Wandsworth Council's justification for not supporting fair trade, its key arguments were; that they felt that the method of trading was "*unacceptable in principle*" due to distortions to the free market; that they did not feel that it was the role of a Council and its partners to have to educate parents in regards to fair trade and goods purchasing;

that it conflicted with their local procurement and it made, "little if any contribution to another of the Council's objectives, namely promoting a low carbon footprint".¹⁴

During the meeting where the resolution on fair trade was rejected, Wandsworth Council expressed their concern that organisations in the public and private sector could possibly be mistaken in believing that they are promoting ethical standards and social inequality through purchasing fair trade, with the leader of the discussion going on to list a number of reasons why fair trade is a cause for concern, including: "the significant number of farmers who benefit are in relatively developed countries (e.g. Mexico), whereas only small parts of the poorest African countries are included".¹⁴

Despite these set backs, Wandsworth still shows hope for fair trade within the community. However, it appears to be more of an activists group as opposed to a community campaign, with a significantly smaller network of supporters than in Keswick; having a mailing list of approximately thirty people. Although the campaign is still small, the core campaigners ensure that education and awareness raising in regards to fair trade is present within the local community with events being held at schools, fairs and other locations. The Wandsworth case study is useful in that demonstrates that whilst we have seen the expansion and development of Fairtrade products within the UK, it remains for some a contested concept. Clearly, efforts to establish a Fairtrade Town require the cooperation of the local council and communicating the benefits of 'going Fairtrade' may be an important step towards gaining the support of local partners.

Central and local government support for Fairtrade

The Central Government attitude to fair trade is summarised by the Department for International Development (DFID):

"DFID is working to make sure that trade benefits the people who need it most. Fairtrade in the UK is a tremendous success – but it's only part of the picture. There are lots of producers looking for good prices and steady demand. And there are lots of products in our shops that have been grown by poor farmers around the world. We want to see ethical consumerism inform all our choices.

By choosing products from developing countries, demanding higher standards from retailers and asking them if they know where the products really come from, who grew them and what conditions they work in, individuals can transform the way that poor people are employed in developing countries. Working together the government, consumers and the private sector can make sure that poor people in developing countries really are able to earn their way out of poverty."¹⁵

Support for fair trade by the UK Government has been gradually increasing since the introduction of the Fairtrade Certification Mark in 1994. Their financial support has been of great help to the Movement through providing almost £12million to fair and ethical trade initiatives between 1997 and 2009. This includes DFID having contributed over £2.8 million to Fairtrade Labelling initiatives since 2002¹⁵, meaning that they have played a significant contribution in raising public awareness of fair trade in recent years.

¹⁴ Wandsworth Borough Council General Purposes Committee Meeting – 26th November 2008.

[http://www.wandsworth.gov.uk/moderngov/\(X\(1\)S\(ixnaqq552srjra55d4jt0tqu\)\)/Published/C00000302/M00002869/\\$ADocPackPublic.pdf](http://www.wandsworth.gov.uk/moderngov/(X(1)S(ixnaqq552srjra55d4jt0tqu))/Published/C00000302/M00002869/$ADocPackPublic.pdf)

¹⁵ Fair and Ethical Trade, DFID.

<http://www.dfid.gov.uk/Global-Issues/How-we-fight-Poverty/Trade/Fair-and-ethical-trade/>

In acknowledging the previous contributions of the Government to fair and ethical trading, their contribution of a further £12million over the next four years can be seen as a major investment that will enable the development and awareness of fair trade to continue to increase in coming years. The funding, which will be delivered as part of an international donor package, alongside other donors including Irish Aid, will ensure that work with hard to reach producers in the lowest income countries and conflict zones can continue, as well as enabling further products to be introduced to the fair trade range¹⁶. This will enable a global expansion of fair trade, with the key aims being:

- double the number of farmers in the Fairtrade system to 2.2 million;
- to increase access to Fairtrade markets for more of the hardest-to-reach producers in the lowest income countries, fragile states and conflict zones and thus increase further the range of Fairtrade products;
- more than double the Fairtrade premiums going back to producers, to invest in their own community development projects, to more than 100 million Euros per year;
- to increase in the global sales of Fairtrade certified products more than three-fold, aiming to reach a value of 9.8 billion Euros by 2014.¹⁷

The Government's commitment to fair and ethical trading has recently been highlighted in the International Development White Paper, *Eliminating World Poverty: Building our Common Future* which was published in July 2009¹⁸. It appreciates the power of Fairtrade to boost business standards and to ensure that workers are receiving a fair wage in decent working conditions through the individual consumers. Central government commitment to Fairtrade has also recently been highlighted through the release of guidance notes on Fairtrade and Public Procurement by the Office of Government Commerce¹⁹, where the scope to pursue the objectives of Fairtrade through Government procurement is explored, with acknowledgement of the wider social issues that can be dealt with through Fairtrade.

At a local government level, individual authorities have responded in varied ways to fair trade. There are those who have dedicated time and effort into supporting Fairtrade campaigns, such as Leeds City Council where a regional contract framework was developed where all local authorities in Yorkshire and Humberside could incorporate fair trade into a joint purchasing policy - making it cheaper and easier to become Fairtrade; and Bristol City Council where extra steps are being taken to support fair trade with the appointment of a part-time fair trade co-ordinator to support the city's campaign²⁰. In contrast to this, as previously mentioned, some councils are not as willing to become involved in fair trade, which can subsequently hinder a community's campaign.

To summarise this section there are a number of ways that a local authority can increase involvement in fair trade²⁰:

- using Fairtrade tea and coffee at council meetings and for staff in offices and canteens;
- passing a resolution making a formal commitment to serve Fairtrade products whenever possible and stating their support for Fairtrade;

¹⁶ *UK Overseas Aid Budget to Boost Fairtrade*, Fairtrade Foundation, 07/07/09.

http://www.fairtrade.org.uk/press_office/press_releases_and_statements/july_2009/uk_overseas_aid_budget_to_boost_fairtrade.aspx

¹⁷ *UK Government Announces £12 million investment for Fairtrade on 15th Anniversary of the Fairtrade Mark*, The Fairtrade Foundation, 10/10/09.

http://www.fairtrade.org.uk/press_office/press_releases_and_statements/october_2009/uk_government_announces_12_million_investment_for_fairtrade_on_15th_anniversary_of_the_fairtrade_mark.aspx

¹⁸ *Eliminating World Poverty: Building our Common Future*, 2009. DFID

<http://www.dfid.gov.uk/Documents/whitepaper/building-our-common-future-print.pdf>

¹⁹ *Guidance on Fairtrade and Public Procurement*. Office of Government Commerce. 2008.

http://www.ogc.gov.uk/documents/Guidance_on_Fair_and_Ethical_Trading.pdf

²⁰ *Local Authorities and Fairtrade: All You Need to Know*. Fairtrade Foundation. 2009.

http://www.fairtrade.org.uk/includes/documents/cm_docs/2010/l/local_authorities_guide_final_2010.pdf

- extending the range of Fairtrade products used;
- ensuring there is good ongoing communication between the campaign and the local authority, for example nominating at least one council representative to join the Fairtrade Town steering group;
- promoting awareness of Fairtrade across the constituency through council publications and website, and erecting street signs declaring Fairtrade Town status;
- promoting awareness of Fairtrade internally through posters, emails, tastings and events in Fairtrade Fortnight;
- supporting the work of the steering group through funding, providing rooms for meetings or officer time;
- working with other public bodies (schools, hospitals, police) to encourage them to switch to Fairtrade;
- working with the Fairtrade steering group to develop an action plan to achieve Fairtrade Town status;
- working with other local authorities in the area to develop a joint Fairtrade procurement strategy.

Summary

It is apparent that Fairtrade is increasingly becoming an important aspect of community life within the UK, and that the Fairtrade Town Movement has added to this significantly. The Movement has been fuelled by the belief and determination of a small number of people who have enabled the awareness of Fairtrade and its subsequent growth to have multiplied in recent years. The recent funding from the Government will enable the Movement to continue in the right direction, but ultimately (with some support from local authorities), Fairtrade Towns are campaigns run by communities that help to unite the local people in working towards a more sustainable way of life.

About the author

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