



Fairtrade India: Frequently asked Questions

1. What are the issues facing smaller holder farmers?

With 7.7 million farmers in India having left agriculture as their main employment since 2001, and with many of them switching to being agricultural workers, small holder farmers are at the coalface of India's agrarian crisis.

On top of this, there were nearly [14,000 farmer suicides](#) last year alone, with almost 270,000 farmers in India having committed suicide since 1995. Farmers face mounting debt levels – from the high cost of seed purchases, and high production costs, with access to affordable finance still being somewhat limited.

Recently, farmers have also been facing the impacts of climate change, unpredictable weather patterns, with excessive, deficient, or untimely rain playing havoc with the crop cycles. Two thirds of farmer suicides have occurred in cotton growing regions, which are facing drier conditions as climate change takes hold.

Facing such issues, small holder farmers are forced to leave their land and become hired labourers, often more poorly paid, infrequent and insecure.

Globally traded commodities have also faced volatility arising from food speculation, which has had a detrimental effect on even the smallest of farmers who face unpredictable prices in the marketplace. On the other hand lack of sufficient depth in markets for some commodities have resulted in the farmers being at the mercy of the local operators.

Small farmers face the double-hit of not making enough for their produce, alongside having to purchase staple foods for their own consumption at higher prices.

While many have been calling on more government intervention, including subsidies, debt relief and better education for their children, the agrarian crisis, which leads to greater risk of food insecurity, continues. The recent food security bill might help, but it will be insufficient to curb the agrarian crisis.

2. Why is Fairtrade India being set up now?

Indian producers have long been involved in the Fairtrade movement, exporting their products to consumers in Europe and North America and getting better prices and terms of trade. Building on this success, and facing the agrarian crisis, local producers identified an opportunity to connect to their own markets, and thus strengthen production and food security at home.

India has a rapidly rising middle class and young consumer base. In a 2011 Globescan survey, it was found that nearly eight in ten urban Indians believe that companies have a role in helping to reduce poverty and in protecting the environment. Young people in particular, with increased awareness through digital media, show a demonstrated concern about ethical and sustainable business – not just charity.

The recent CSR bill indicates that companies are now engaged in building their sustainable and responsible business practices.

Thus, while the market for ethically produced products is currently nascent, there is strong potential to build growth in these markets for the benefit of Indian producers and Indian food security.

3. What is the FAIRTRADE Mark?

The FAIRTRADE Mark is an independent consumer label that assures consumers that products bearing it meet the Fairtrade Standards. It shares internationally recognized Fairtrade Standards with initiatives in 21 other countries working together globally with three Producer Networks as Fairtrade International. The FAIRTRADE Mark indicates that the product has been certified to give a better deal to the producers involved whilst also protecting the environment. The FAIRTRADE Mark is a product label and not an endorsement of an entire company's business practices.

4. How does Fairtrade work?

By putting the FAIRTRADE Mark on products, we have guaranteed that farmers and businesses in the supply chain have met our Fairtrade Standards. This Mark acts as a consumer guarantee that the farmer has received a fair price for his/her crop and that environmental standards are being followed.

We audit the whole supply chain to ensure that what we commit to is being done. We work with producers and their communities for capacity building in areas such as governance, making market linkages, women empowerment, protecting children's rights and other social and economic programs.

We also undertake campaigns and awareness activities to tell people about Fairtrade what it means and how to engage with the movement.

5. Aren't there a lot of ethical labels out there? What makes Fairtrade different?

The number of ethical labels is growing, but Fairtrade remains unique. Fairtrade is the only certification scheme whose primary purpose is to tackle poverty and empower producers and workers to take control over their lives and the decisions that affect them.

Fairtrade delivers unique benefits to producers, businesses and consumers. We guarantee a minimum price for producers and provide a Fairtrade Premium that can be used for investment in the future of production and the farmer groups. All investments of premium are democratically decided by the members of the General Assembly of the Producer Group, or the Joint Body on plantations.

The Fairtrade Standards reassure consumers that social, environmental and economic requirements are being monitored in production; however they are much more than this. The Fairtrade Standards are also a key development tool for farmers and workers, helping them determine their priorities and development path supported by Fairtrade staff on the ground. We at Fairtrade don't pretend to offer overnight solutions to poverty, disempowerment and exploitation; there are none. But through our twenty five years' experience, we have learned that accompanying and supporting farmers and workers on a journey that they themselves determine is the most sustainable method of long-term improvements in their lives.

Fairtrade also gives farmers a direct role in our governance, both internationally and here in India. Fairtrade producers co-own Fairtrade India, and they also have a seat on the international governing body.

Our mission is to connect disadvantaged producers with consumers, promote fairer trading conditions, empower producers to combat poverty, strengthen their position in world and local markets and take more control over their lives.

6. In the long-run, how will Fairtrade India help farmers?

By growing the Fairtrade movement at home, we can have a measurable impact on improving producer livelihoods and reducing their vulnerability in markets and to the changing environment.

There are direct economic benefits of Fairtrade; however there are also indirect benefits.

Directly, increasing sales will help to grow farmer income and increase stability of income. Aside from the Fairtrade Premium, Fairtrade is also building capacity for producers to capture a greater percentage of the value of the products they grow. Profits are reinvested into those communities, either through social programmes or into enhanced, environmentally friendly farm productivity.

Current Fairtrade sales in India are small. We aim to multiply sales in the coming years. This will add to the benefits already received through global sales, which directly provided Indian producers an additional investment of Rupees 19.4 crores in 2012.

Indirectly, with the Fairtrade focus on building capacity of rural communities and making agriculture more viable, sustainable and attractive for future generations to engage with; Fairtrade hopes to contribute towards more vibrant and robust rural communities. This should also lead to greater food security not only for our farmers but also for the Indian society at large.

This requires us to build awareness of the Fairtrade mark and its benefits, which will increase demand and sales of Indian Fairtrade products leading to more investment in rural India.

7. Are there Indian Fairtrade Products already available?

Yes! Home grown brands are already available providing rice, tea, spices, coffee and cotton for Indian consumers and businesses. Plantrich Organic and Fairtrade coffee and

spices; Hello Organic and Fairtrade rice; Oothu Tea; No Nasties organic cotton t-shirts and Dibella India Fair & Organic clothing and home linen are available.

A range of additional spices, nuts, coffee and oils will also be announced shortly.

You can also buy imported products, made from Indian and international Fairtrade producers.

A range of wholesale products are also available, including coffee, sugar, spices, dried fruit and coconut, amongst others.

For further information see our website: <http://www.fairtradeindia.org> (to be launched on 21st).

8. Where can we buy Fairtrade Products?

The following stores currently stock Indian Fairtrade products:

Auchan (Bangalore): <http://www.auchanindia.com>

Elements (Calicut): <http://www.elementsindia.net>

Modern Bazaar (Delhi): <http://modernbazaar.org>

And more to follow! Please check the Products section of the website for the latest updates.

9. Who can get involved and how?

In launching the FAIRTRADE Mark in India, there are many ways in which you can get involved to join our movement.

- Civil society organisations are invited to join us and support Fairtrade awareness building, which will directly help producers.
- Companies can offer Fairtrade at work, purchasing Fairtrade coffee or tea for their employees either directly or through their vending machines.
- Brands can become a Fairtrade licensee, by creating new products with Fairtrade ingredients.
- Retailers can help to sell Fairtrade products

For further information:

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