



FAIRTRADE
FOUNDATION

UNLOCKING THE POWER TOGETHER

ANNUAL IMPACT REPORT 2013–2014

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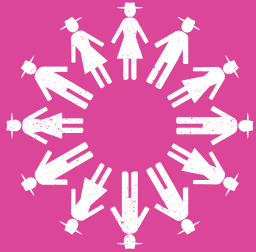
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FAIRTRADE AT A GLANCE



**MORE THAN 1.4 MILLION
FARMERS AND WORKERS
IN FAIRTRADE WORLDWIDE**



**1,210 PRODUCER
ORGANISATIONS
WORLDWIDE**



**UK SALES OF FAIRTRADE
IN 2013 WERE UP 12% ON
THE PREVIOUS YEAR**



**GENERATED FROM
FAIRTRADE SALES IN
THE UK (ESTIMATED)**



**9,123 UK FAIRTRADE
CAMPAIGN GROUPS
BY THE END OF 2013**

A GLOBAL COMMUNITY

Producer partners in these countries sell to the UK Fairtrade market:

ASIA & PACIFIC

- Afghanistan
- China
- East Timor
- Fiji
- India
- Indonesia
- Iran
- Laos
- Pakistan
- Palestine
- Papua New Guinea
- Philippines
- Sri Lanka
- Thailand
- Vietnam

AFRICA

- Burkina Faso
- Cameroon
- Central African Republic
- Comoros Islands
- Côte d'Ivoire
- Dem. Rep. of Congo
- Egypt
- Ethiopia
- Ghana
- Kenya
- Madagascar
- Malawi
- Mali
- Mauritius
- Morocco
- Mozambique
- Rwanda
- São Tomé and Príncipe
- Senegal
- South Africa
- Swaziland
- Tanzania
- Togo
- Tunisia
- Uganda
- Zambia

LATIN AMERICA

- Argentina
- Belize
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Ecuador
- El Salvador
- Guatemala
- Guyana
- Honduras
- Mexico
- Nicaragua
- Panama
- Paraguay
- Peru

CARIBBEAN

- Cuba
- Dominican Republic
- Haiti
- Jamaica
- Windward Islands

87%

OF ALL FAIRTRADE
PRODUCERS ARE
SMALL-SCALE FARMERS

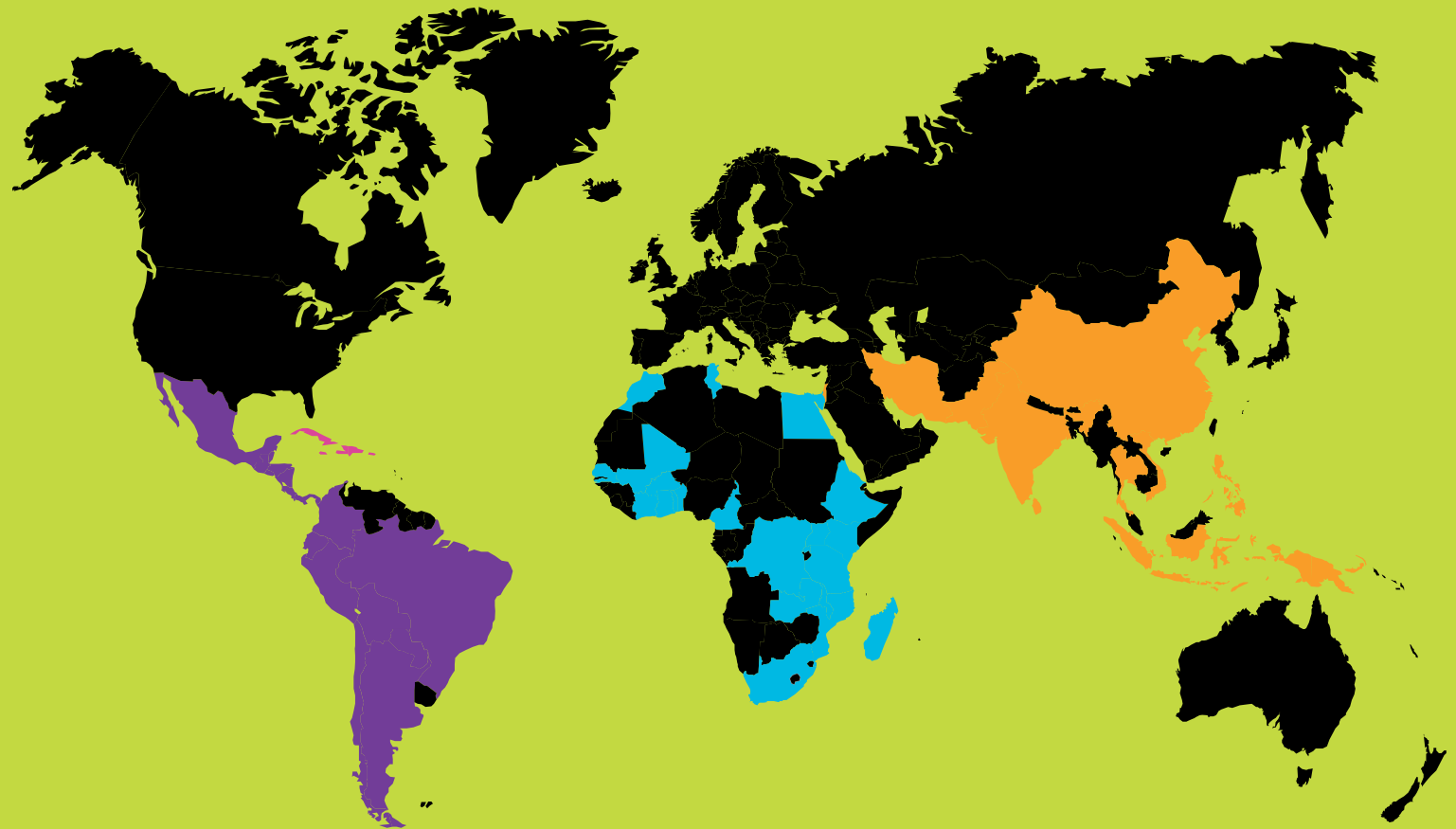
697

GROUPS OF FARMERS
AND WORKERS SUPPLY
FAIRTRADE TO THE UK

FARMERS AND WORKERS IN

63

COUNTRIES SELL FAIRTRADE
CERTIFIED PRODUCTS
TO THE UK



NEXT SECTION

WELCOME



Michael Jary (left) with Gerry van der Westhuizen at a Fairtrade certified rooibos co-operative in Driefontein, South Africa. Gerry, the son of a farmer member, is the first in his community to study for a university degree. He is training to be a teacher with a bursary funded by the Fairtrade Premium.

MICHAEL JARY, CHAIR

Welcome to this Annual Impact Report, which comes as I complete my own first year as the Chair of Trustees of the Fairtrade Foundation. And what a year it has been!

It was my belief that ethics were truly starting to break into the mainstream – and Fairtrade’s enormous contribution to that – which led me to this role with the Foundation. Despite that conviction, I still wanted to take this year to find out for myself what impact Fairtrade is really delivering: talk to producers directly, read the reports, meet the campaigners, the businesses and the NGO partners, and listen to staff. [Read more](#) ▶

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WELCOME

What I've discovered has been both inspiring and sobering. There are so many talented, committed people in Fairtrade, from staff to local activists and supporters, businesses to academics, and most importantly the producers themselves. They can be proud of their achievements.

Attending the Africa Fairtrade Convention in Cape Town in November 2013, I was awed by the determination and drive of farmers and workers gathered from across the continent.

They gave me their personal testimony about what Fairtrade means to them: business improvements, farm productivity initiatives, health and education projects, environmental programmes and more. Yet almost no producer organisation told me they were currently selling more than 10% of their production into Fairtrade markets, and for many it's much less.

As we celebrate 20 years of Fairtrade here in the UK, and a market now worth over £1.7 billion, the truth is that only around 8% of all eligible commodities imported into the UK are sourced on Fairtrade terms. Globally, it's less than 1%. That's why the board and I have our own eyes firmly focused on the future, our strategy towards 2020.

Building on what we have already achieved, it's clear Fairtrade must innovate for even greater impact. As we do so, we'll keep focused on the sustainable livelihoods and empowerment so many millions of farmers and workers still desperately need.



Michael Jary

Chair of the Fairtrade Foundation Board of Trustees

**BUILDING ON WHAT WE HAVE
ALREADY ACHIEVED, IT'S CLEAR
FAIRTRADE MUST INNOVATE FOR
EVEN GREATER IMPACT**

GOING FAR, GOING TOGETHER



Michael Gidney and a Fairtrade campaigner outside the Department for Business Innovation and Skills, handing in a petition containing over 70,000 signatures.

MICHAEL GIDNEY, CHIEF EXECUTIVE

There is an African proverb we have used many times at the Fairtrade Foundation that says:
'If you want to go fast, go alone. If you want to go far, go together.'

As we celebrate the 20th anniversary of the first products to carry the FAIRTRADE Mark in the UK and look to the future again, this report is a testament to the power of working together – producers, business, NGOs and campaigners.

Together we have built a dynamic movement for change that means the UK Fairtrade market remains the world leader, delivering £26 million annually in additional Fairtrade Premium alone back to farmers and workers globally. [Read more ▶](#)

GOING FAR, GOING TOGETHER

This is also the first report on our 2013–15 strategy **Unlocking the Power of the Many**, in which we set out ambitious goals to increase impact and sales for producers, galvanise public support and action for fairer trade, and strengthen our organisation to be both inspiring and effective.

Increasingly, we are seeking both to leverage the tremendous power of UK supply chains and deliver real change for producers around the world.

We also want to challenge the excessive concentration of power in markets that is detrimental to the farmers and workers we represent.

That's why in 2013 we worked with Fairtrade banana growers in Latin America, the Caribbean and Ghana to launch the Make Bananas Fair campaign. This assessed the impact of UK retailer price wars on the long-term sustainability of banana growing, and the positive impacts being delivered by the champions of Fairtrade bananas – such as the commitments by Sainsbury's, Waitrose and The Co-operative to stock 100% Fairtrade bananas.

I met growers and traders in Colombia who made it clear that the whole banana industry needs to reflect Fairtrade's values of paying fair prices that meet the costs of sustainable production. If we continue to devalue

bananas, any movement towards living wages for workers will remain a distant dream and smallholder market access will be further eroded.

In Colombia, 13 producer organisations have worked together to build a new school in their remote community, where children were previously taught in an old pigsty. I was inspired as one worker told me proudly that the Fairtrade Premium was supporting him to attend night school and train to be an accountant.

That is the power of you – of all of us – through Fairtrade.

The challenges that still face us in making trade fair are many. But there are many of us too. By using our own power – as retailers, brands, campaigners, shoppers, government or donors – and by continuing to speak the truth about where markets continue to fail poor communities, we can certainly go much further to make trade fair together.



Michael Gidney
Chief Executive

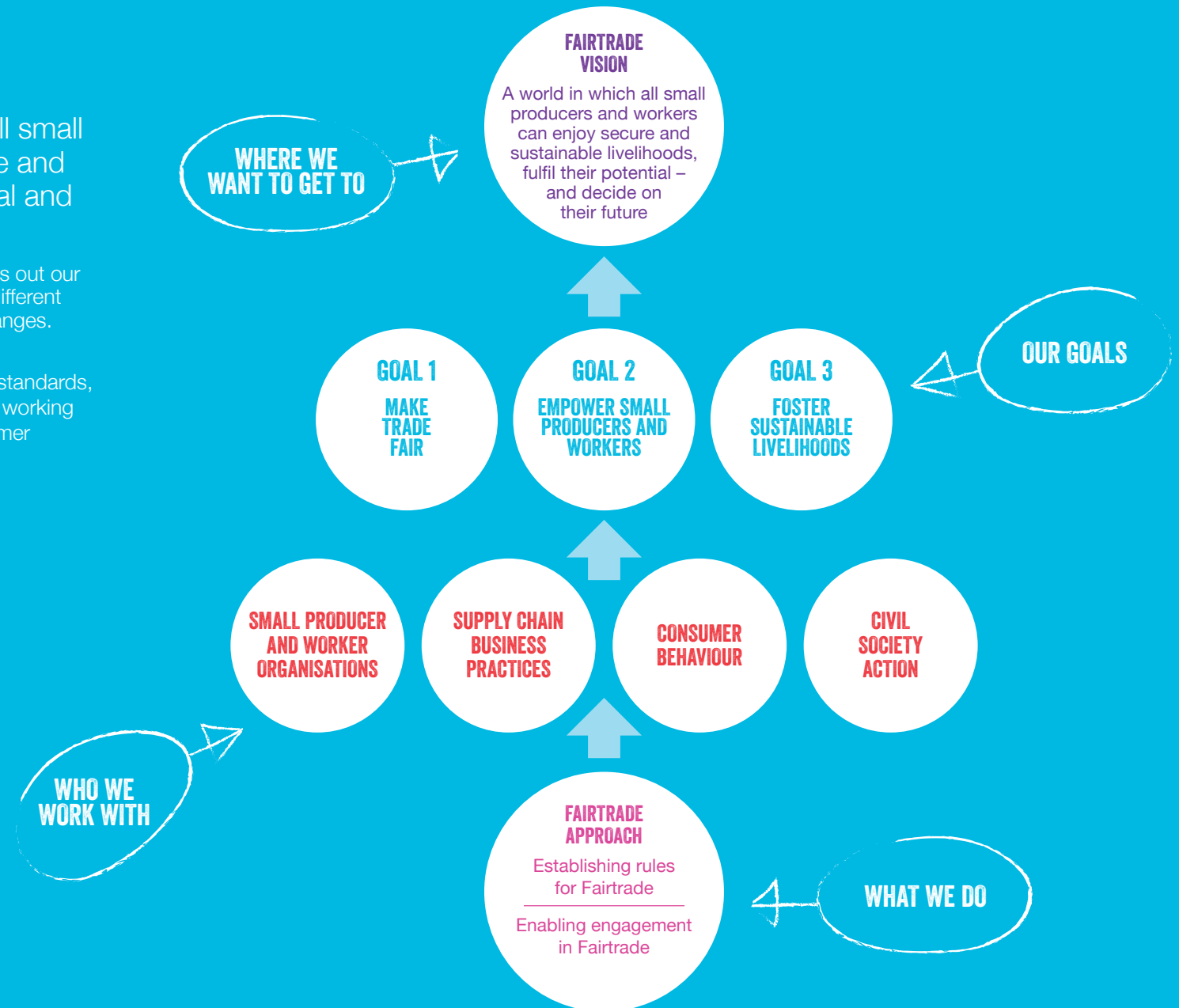
“ INCREASINGLY, WE ARE SEEKING BOTH TO LEVERAGE THE TREMENDOUS POWER OF UK SUPPLY CHAINS AND DELIVER REAL CHANGE FOR PRODUCERS AROUND THE WORLD ”

OUR VISION FOR CHANGE

Fairtrade's vision is of a world in which all small producers and workers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future.

Our [Theory of Change](#), published in January 2014, sets out our key goals, the changes we aim to deliver, and how our different programmes and activities could contribute to those changes.

Activities include setting and certifying against Fairtrade standards, running producer support and networking programmes, working with business supply chain practices, building up consumer demand for Fairtrade and civil society campaigning.



UNLOCKING THE POWER OF THE MANY – HOW ARE WE DOING?

2013 was the first of our [2013–15 Unlocking the Power of the Many strategy](#), which aims to deepen the impact Fairtrade is having for farmers and workers. Here's a snapshot of what we said we would achieve – and what we did... [Read more](#) ▶



[NEXT SECTION](#)



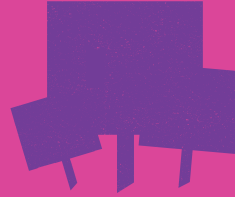
INCREASE IMPACT AND SALES FOR PRODUCERS

WHAT WE SAID

By 2015, UK Fairtrade sales will increase from £1.5 billion to over £2bn and annual Fairtrade Premiums from sales will increase from £23 million to over £31m. To reach our 2015 ambition, our targets for Fairtrade sales in 2013 are £1.68bn and £26m premium.

WHAT WE ACHIEVED

We are on track to achieve our targets for 2015 – sales of Fairtrade products in 2013 exceeded an estimated value of £1.7bn, a 12% increase on 2012, and generated an estimated £26m of Fairtrade Premium, an increase of more than £2.5m on the last year.



GALVANISE PUBLIC SUPPORT AND ACTION

WHAT WE SAID

By 2015, half a million people in the UK will be actively engaged and pushing for faster and deeper change through Fairtrade and over 50% of the population will be actively choosing Fairtrade products.

WHAT WE ACHIEVED

We are on track with around 300,000 Fairtrade supporters across extensive networks. Our consumer research revealed that almost 50% of adults say they prefer to choose Fairtrade when buying items such as coffee, tea or bananas in the UK.



CULTIVATE AN INSPIRING AND EFFECTIVE ORGANISATION

WHAT WE SAID

We will publish social impact reports, invest in staff and the working environment, strengthen finance and information systems, and increase our international collaboration.

WHAT WE ACHIEVED

We developed our first Annual Social Impact Report, doubled the investment in staff development and seconded staff members internationally.

POWER FOR PRODUCERS

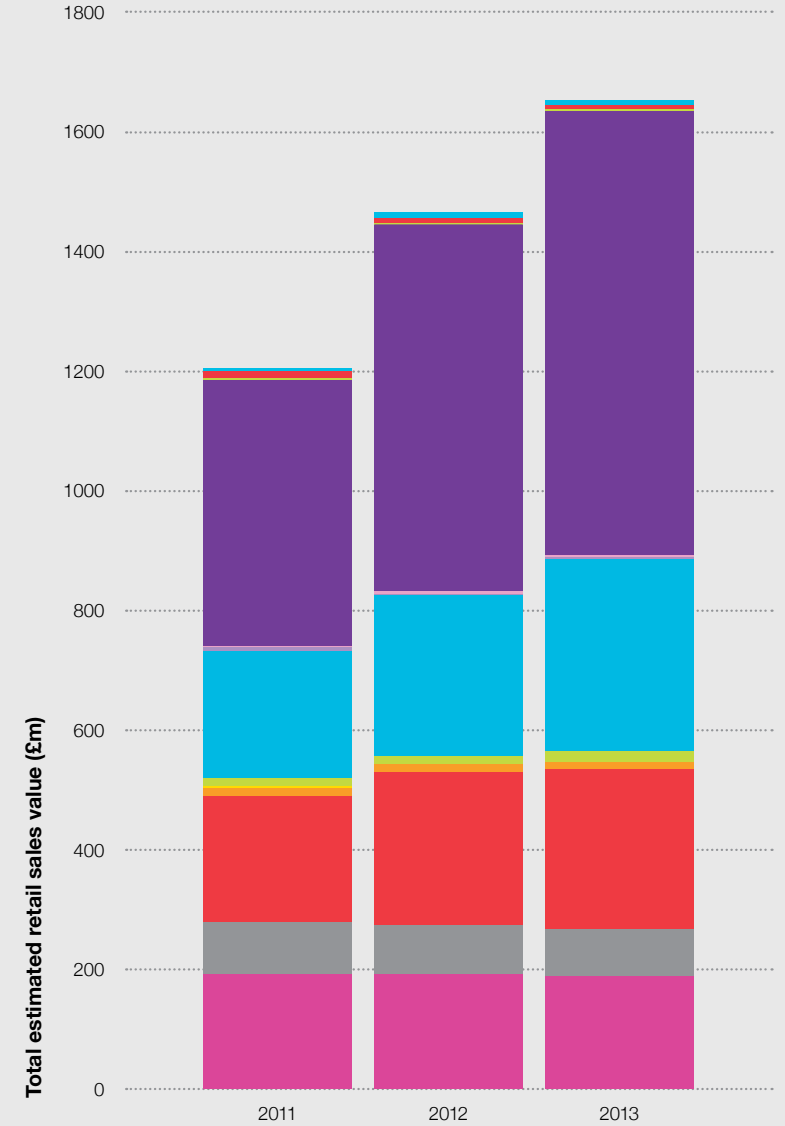
In the UK, Fairtrade sales grew 12% in retail value in 2013. Measured by volume of product sales (the best indicator of market access for producers), overall growth was 14%. The greatest increase came in Fairtrade sugar, cocoa and bananas.

Coffee – our focus for a boost in 2013 – also grew 4%. Fresh vegetables increased fourfold, mainly due to Tesco’s sourcing of green beans from Fairtrade certified organisations in Kenya, while wine contributed to overall growth with a 27% increase. Tea and cotton sales fell by 4% and 3%, which we are setting out to tackle in 2014. [Read more](#) ▶



TOTAL ESTIMATED RETAIL VALUE SALES OF MAJOR FAIRTRADE PRODUCTS IN UK 2011–13

- Total spices
- Total nuts, oils, olives and olive oil
- Rice, quinoa, sesame and pulses
- Sugar
- Honey
- Dried fruit products
- Cocoa
- Fruit juices
- Fresh vegetables
- Other fruits
- Bananas
- Tea
- Coffee



Fairtrade estimates retail value based on reported wholesale sales from our licensees. This chart excludes cotton.

POWER FOR PRODUCERS

People buying products with the FAIRTRADE Mark is one of the most powerful ways Fairtrade delivers impact for producers. More sales on Fairtrade terms means more Fairtrade benefits for farmers, workers and their communities.

But how did being part of the Fairtrade system empower farmers and workers to bring about positive change in 2013?



A report, [Branching out: Fairtrade in Malawi](#), explored producer impact for tea, sugar and groundnut farmers, based on a long-term study in association with the University of Greenwich's Natural Resources Institute. It looked at how Fairtrade is making a difference and what needs to be done to deepen impact.

Nut growers in the Mchinji District have invested premiums in accommodation for families and relatives at the local hospital and improved their warehouse facilities, and hope to further increase sales and incomes with a new nut processing facility. A trade union has been established at a small-scale sugar grower co-operative, which is improving conditions for workers and giving them a voice in decision-making over how Fairtrade Premiums are spent.

Low tea prices and low wages in Malawi remain a major challenge for tea farmers and workers, but Fairtrade has delivered an impressive range of social and community benefits, from literacy programmes and clean water to subsidised maize and fertilisers.

Through Fairtrade, an 'asset-transfer' project in Kenya saw the women of Kabngetuny co-operative become owners of a small number of coffee bushes belonging to their husbands. They joined the formal structure of the co-operative, enjoying an independent income for the first time, and generated a 20% higher yield.

With funding support from Comic Relief, the Fairtrade Foundation and [Fairtrade Africa](#) – a network of certified farmers and workers across the continent – have collaborated for over five years to expand the reach of Fairtrade in Africa.

In 2013, we supported the creation of the [Fairtrade Marketing Organisation of Eastern Africa \(FMOEA\)](#), based in Nairobi, to build opportunities for producers to sell on Fairtrade terms in African markets.

A Fairtrade Foundation staff member was seconded to the Kenyan capital for three months, supporting the local team with the launch and business outreach. Our fundraising team continues to work with Fairtrade Africa to secure new grants and funding for producer support and to grow the market.

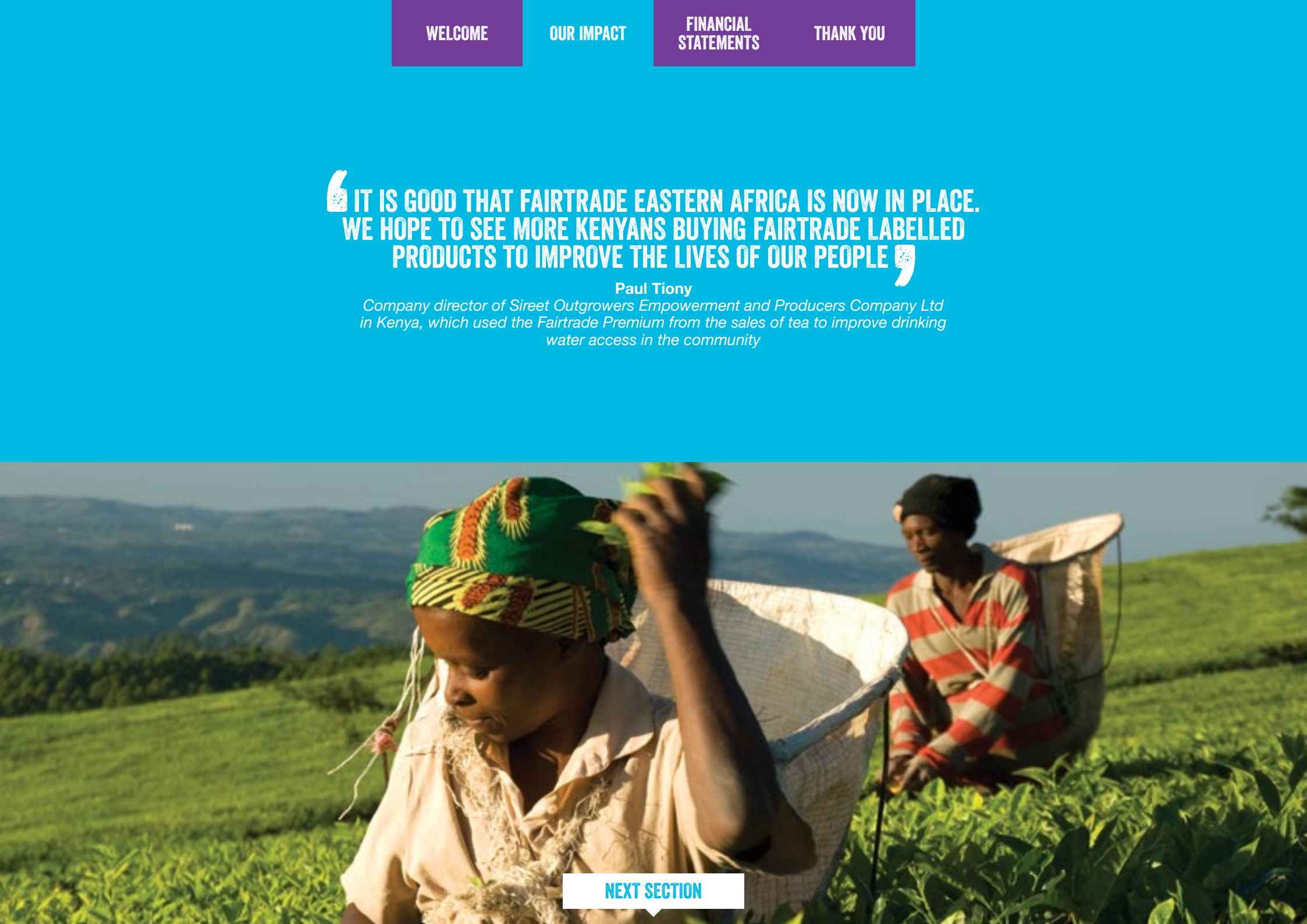
The year also saw the launch of [Fairtrade India](#), which licenses Indian companies to use the FAIRTRADE Mark on products marketed in India, including tea, rice, spices, cotton and coffee. We are assisting Fairtrade India in its start-up phase with certification advice supporting product approvals. [Read more](#) ▶

IT IS GOOD THAT FAIRTRADE EASTERN AFRICA IS NOW IN PLACE. WE HOPE TO SEE MORE KENYANS BUYING FAIRTRADE LABELLED PRODUCTS TO IMPROVE THE LIVES OF OUR PEOPLE

Paul Tiony

Company director of Sireet Outgrowers Empowerment and Producers Company Ltd in Kenya, which used the Fairtrade Premium from the sales of tea to improve drinking water access in the community

[NEXT SECTION](#)



A photograph showing four women in a rural agricultural setting. One woman in the foreground is holding a large basket of dark brown soil. Another woman is using a wooden tool to dig in the earth. The background is filled with lush greenery and trees.

POWERING UP THE ROLE OF WOMEN

We believe women's roles in agricultural supply chains need more visibility, recognition and value. There are currently 320,000 women farmers and workers participating in Fairtrade, representing 23% of the total.

But we know there is a significantly larger number involved in Fairtrade supply chains that are not registered as formal workers or members of co-operatives. [Read more](#) ▶

POWERING UP THE ROLE OF WOMEN

The Foundation has played a key role in supporting the Fairtrade system to understand this gender gap, by investing in research across various country and product contexts.

We co-funded a new report authored by pioneer fair trade organisation TWIN – [Empowering women farmers in agricultural value chains](#) – to help understand the role women play in producing key Fairtrade products: cocoa, coffee and nuts.

It looked at 14 Fairtrade producer organisations across Asia, Latin America and Africa to identify best practices to promote better social and economic outcomes for women.



THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS ESTIMATES THAT REMOVING GENDER INEQUALITIES IN AGRICULTURE COULD REDUCE THE NUMBER OF HUNGRY PEOPLE IN THE WORLD BY 100–150 MILLION.



The research found that women's labour on farms is often very high – for example, four billion hours are spent by women shelling groundnuts in Africa each year. This work is often undervalued and under-recognised and income gained from production is still mainly controlled by men.

Women also face challenges with land ownership – for example, only 18% of the agricultural land in Nicaragua is owned by women. The report highlights ways of taking steps to empower women in supply chains, including establishing women's committees to develop leadership skills and investing in adult literacy programmes.

For example, 'Women's Coffee' initiatives in Peru and Nicaragua exclusively source coffee produced by women to sell to brands, which means extra premiums to use on gender empowerment projects. In Nicaragua, the Soppexcca co-operative invested its premiums in a cervical cancer screening initiative that reached thousands of women in the community.

The Foundation and TWIN – with support from UN Women – launched the report at a business roundtable event in October 2013 that drew over 50 delegates from a range of Fairtrade retailers, brand owners and smaller companies, with workshops aimed at helping business take forward the report's recommendations.



WHAT NEXT?

We are supporting Fairtrade Africa and Fairtrade International to understand the role, aspirations and challenges faced by women farmers in Fairtrade cocoa producer communities in Côte d'Ivoire, and giving our backing to a global gender strategy.

We are also researching the barriers to women's membership and participation in farmer organisations and co-operatives using three Fairtrade case studies – bananas in the Dominican Republic, cotton in India and tea in Kenya.

NEW OPPORTUNITIES FOR COTTON, SUGAR AND COCOA FARMERS

Globally, only very small percentages of cotton, cocoa and sugar are sold on Fairtrade terms, despite a growing number of industry pledges to source these on a sustainable, certified basis.

The Fairtrade Foundation played a leading role in the development of a new commodity sourcing approach for cocoa, cotton and sugar – known as [Fairtrade Sourcing Programs](#).

These aim to enable small cocoa, sugar and cotton farmers to scale up their sales on Fairtrade terms. We also managed research into potential producer impact, as well as consumer insight research to inform the decision-making process of the Fairtrade system.

The latter resulted in the creation of a distinct labelling approach to ensure it was differentiated from end product certification through the FAIRTRADE Mark.

This immediately led to increased cocoa sales in the German and Swiss markets in early 2014.

In the UK, the introduction of new Fairtrade Sourcing Programs is being phased in during 2014–15.



FOCUS ON
COFFEE



IN 2013, AROUND 14,000 TONNES OF FAIRTRADE COFFEE (FINISHED PRODUCT) WERE SOLD IN THE UK MARKET – AN INCREASE OF 4% ON 2012 – GENERATING AN ESTIMATED £4.4 MILLION IN FAIRTRADE PREMIUMS

[Read more](#) ▶



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FOCUS ON

COFFEE

WATCH THE COFFEE FILM HERE 

Tesco committed to convert its entire Finest range of roast and ground coffees to Fairtrade while Waitrose added four coffees to its own-label range in 2013. BP's cafe chain 'Wild Bean' launched Fairtrade coffee and hot chocolate in its forecourt outlets.

Fairtrade co-hosted and attended events to boost understanding of the impact of Fairtrade coffee and showcase the quality and range on offer, including The London Coffee Festival. Meanwhile, a roundtable with TWIN raised awareness of the 'leaf rust' fungus crisis for producers in Central and South America.

We researched the impact of Fairtrade for coffee producers, revealing some encouraging stories. For example, farmers at the UCA co-operative in Nicaragua put the Fairtrade Premium towards a new processing plant, cutting processing costs and generating extra income.

In Honduras, the spread of 'leaf rust' fungus has been devastating for many coffee farmers. The COMSA co-operative used its premium to grow millions of new coffee plants that are more resilient to the disease.

WHAT NEXT?

We continue to focus on coffee in 2014, with an enhanced presence at major industry trade shows and a new autumn campaign. We are also working with several businesses to identify how new programmes could deliver added value and technical support in their own supply chains.

“...THE LIFE OF A PRODUCER IS HARD, BUT FOR ME IN THE EIGHT YEARS THAT I HAVE BEEN A MEMBER, I HAVE FELT THE DIFFERENCE IN MY LIFE AND THE LIVES OF MY CHILDREN HAVE CHANGED...”

Marlene del Carmen Gonzales Jarquim
A member of the Soppexcca co-operative, Marlene grows coffee, beans and corn in northern Nicaragua

FOCUS ON

COCOA

33,000 TONNES



AROUND 33,000 TONNES OF FAIRTRADE COCOA BEANS WERE SOLD IN THE UK MARKET IN 2013 – UP BY APPROXIMATELY 30% ON 2012. THIS GENERATED AN ESTIMATED £4 MILLION IN FAIRTRADE PREMIUMS

[Read more](#) ▶



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FOCUS ON
COCOA



UK sales of Fairtrade cocoa were boosted by the first full year of chocolate brands switching to Fairtrade – including Mars' Maltesers in June 2012, and Cadbury Dairy Milk Bubbly and Hot Chocolate. Nestlé 2 finger Kit Kat added to the increase, converting to Fairtrade in early 2013.

We provided leadership in Fairtrade International on global product management of cocoa, working to connect producers to market opportunities, and building partnerships and alliances for greater impact.

Recognising the important role that women play in cocoa production, we invested funds in 2013 to ensure a gender perspective is included in a new study of cocoa in West Africa.

WHAT NEXT?

We will continue to play a leadership role in cocoa in 2014–15 and promote chocolate and cocoa-based products certified with the FAIRTRADE Mark, while also exploring opportunities to secure additional sales for producers through the new Fairtrade Sourcing Program for cocoa.

THE DEFINING FEATURE OF FAIRTRADE IS THAT WE HAVE WELL ORGANISED ORGANISATIONS AND DEMOCRATIC CO-OPERATIVES, WHICH ALLOW US TO CARRY OUT DEVELOPMENT PROJECTS FOR OUR MEMBERS.

THE FARMERS ALSO NEED TO REPLACE THEIR COCOA TREES BECAUSE THEY ARE AGING. THE FAIRTRADE PREMIUM ALLOWS US TO INVEST IN NEW COCOA TREES, AND IT ENABLES US TO TRAIN OUR PRODUCERS, WHICH IS VERY IMPORTANT.

Fortin Bley

Fairtrade cocoa farmer and Secretary General of CANN co-operative, Côte d'Ivoire

WELCOME

OUR IMPACT

FINANCIAL
STATEMENTS

THANK YOU

FOCUS ON

SUGAR



APPROXIMATELY 155,000 TONNES OF FAIRTRADE SUGAR WERE SOLD IN THE UK MARKET IN 2013 – UP BY 23% ON 2012 – GENERATING AN ESTIMATED £5.6 MILLION IN FAIRTRADE PREMIUMS

[Read more](#) ▶

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FOCUS ON

SUGAR



Sales of Fairtrade sugar increased as a result of chocolate sales, especially the first full year's sales of Maltesers and Kit Kat, a commitment by Morrisons on bagged sugar, and an increase in Fairtrade own-label ranges in Sainsbury's and Tesco.

Not only did we drive sales, we lobbied hard around changes to the European Union (EU) sugar regime. Politicians have agreed a change to rules governing sugar production in the EU which removes all limits on production of sugar beet by 2017. We are deeply concerned that some cane farming communities in Africa, the Caribbean and the Pacific who are reliant on sugar exports to the EU will be priced out of the market.

WHAT NEXT?

In 2014, we continue to focus on the threat to sugar cane farmers as a result of the EU decision, working with companies, producer networks and governments to identify support measures for those likely to lose market access as a result. We will research and share evidence of Fairtrade's impact for sugar producers in countries like Belize to make the case for companies to choose cane sugar.

WE GOT AN EDUCATIONAL GRANT FOR MY GRANDSON AND MY DAUGHTER FROM FAIRTRADE. AND THAT'S A GREAT HELP TO US.

MY DAUGHTER IS USING THE GRANT TO STUDY AGRICULTURE TO TAKE OVER THE FAMILY FARM AND THE GRANT SUPPORTS MY GRANDSON'S SCHOOL FEES, SHOES, BOOKS AND UNIFORM.

Rudelia Vasquez

Cane farmer with Belize Sugar Cane Farmers Association

FOCUS ON

COTTON



**APPROXIMATELY 7,400,000 UNITS OF FAIRTRADE COTTON WERE SOLD
IN THE UK IN 2013 – DOWN ON 2012 BY 3% – GENERATING AROUND
£270,000 IN FAIRTRADE PREMIUMS**

[Read more](#) ▶



NEXT SECTION

FOCUS ON
COTTON



Sales of Fairtrade cotton continue to be challenging, especially for producers in West Africa. Meanwhile, the injustices in the global fashion industry were once again thrown into the spotlight with the tragedy at the Rana Plaza factory in Bangladesh on 24 April 2013, killing 1130 people. The need for fair trade in the cotton and garment sector has never been greater.

Our work in 2013 was focused on supporting Fairtrade International to develop a new Fairtrade Sourcing Program for cotton, enabling large-scale commitments to buying of Fairtrade cotton, without the need to label the end product. This was approved in mid-2013.

2013 was the final year of the Cotton on to Fairtrade project funded by the European Commission (EC), working with our European Fair Trade Advocacy Office and partners in Ireland and France to drive public and private demands for certified cotton. We produced a guide for buyers explaining EC regulations and ran workshops attended by universities, NHS officials, Transport for London and borough and council staff.

WHAT NEXT?

In 2014, the Fairtrade Foundation is joining the **Fashion Revolution**, a campaign to mark the anniversary of the Rana Plaza tragedy by asking the public to think about who makes their clothes.

We also work to support Fairtrade International on implementing the new Fairtrade Sourcing Program for cotton, and introducing this to businesses we work with, as well as exploring further opportunities for procurement in the public and private sector.

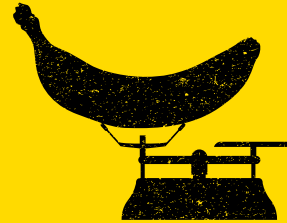
“ SINCE OUR MOBIOM ORGANIC COTTON CO-OPERATIVE STARTED WITH FAIRTRADE ORGANIC, WE HAVE HELPED FARMERS TO INCREASE INCOME. FARMERS HAVE BOUGHT DONKEY CARTS TO TRANSPORT FERTILISERS AND MADE FURTHER INVESTMENTS IN OXEN. FAIRTRADE ACTIVITIES HAVE HELPED SEND KIDS TO SCHOOLS AND PAID SCHOOL FEES. ”

Abdoulaye Diakite

*Technical Support Officer, MOBIOM
co-operative, Mali*

FOCUS ON

BANANAS



APPROXIMATELY 213,600 TONNES OF FAIRTRADE BANANAS WERE SOLD IN THE UK MARKET IN 2013 – UP BY 9% ON 2012 – GENERATING AROUND £7.2 MILLION IN FAIRTRADE PREMIUMS

[Read more](#) ▶



NEXT SECTION

FOCUS ON

BANANAS



Growth in bananas in 2013 was in part due to the first full year of The Co-operative's 100% switch to Fairtrade. Sales also increased in some of the discount supermarkets.

We gave support to banana farmers in the Windward Islands, where production levels were hit by the hurricane of 2010 and the 'black sigatoka' disease that followed, bringing together different groups to form a strategy.

In the UK, we have seen increasing interest in bananas from West Africa and we gave our backing to a Fairtrade International project in Cameroon, where the national minimum wage has not increased in more than two decades. It invested in training for union representatives, recognising the need to strengthen representation for banana workers so that they negotiate improved wages.

WHAT NEXT?

We will be working to support our international partners on efforts towards establishing living wage benchmarks for workers on banana plantations, and engaging our business partners on the issue.

Bananas are the focus of both Fairtrade Fortnight ([see the special feature here](#)), and our [Make Food Fair campaign in 2014](#).

“ WITHOUT THE INTERVENTION OF FAIRTRADE WE WOULD BE FIGHTING A LOSING BATTLE. FAIRTRADE IS OUR LAST BEST CHANCE, OUR CHOICE, OUR FUTURE. FIG FINI SAN FAIRTRADE – BANANAS ARE FINISHED WITHOUT FAIRTRADE. ”

Sandra Joseph

Banana farmer and member of Windward Islands Farmers Association (WINFA)



APPROXIMATELY 9,300 TONNES OF FAIRTRADE TEA WERE SOLD IN THE UK MARKET IN 2013 – -4% COMPARED TO 2012. THIS GENERATED AROUND £3 MILLION IN FAIRTRADE PREMIUMS

[Read more](#) ▶



NEXT SECTION



Sales of Fairtrade tea are largely driven by dedicated ethical brands including Cafédirect, Clipper Teas and Traidcraft, alongside significant retailer own-label commitments by The Co-operative, Sainsbury's, Waitrose and Marks & Spencer.

While the UK remains the largest market for Fairtrade, it is also a very challenging one, with around 65% of all tea in the UK sold by big tea brands on price-promotion, causing decline in supermarket own-label sales and 100% Fairtrade brands.

WHAT NEXT?

Pressures on the supply chain in tea mean that most producers certified as Fairtrade actually sell very little on Fairtrade terms. Research shows clear evidence that where sales are being achieved, the combination of Fairtrade Standards and Fairtrade Premiums have improved working conditions and delivered a range of other benefits for workers. However, [making progress towards living wages](#) requires industry-wide action and we are supporting Fairtrade International's programme in 2014 to reach this aim.

I AM VERY HAPPY AND I SAY THANK YOU TO SIREET AND TO GOD. LOOK, I AM A 'KOGO' [GRANDMOTHER]. I WAS TIRED OF WALKING FAR AWAY TO FETCH THE WATER. MY LEGS ARE NOW WEAK. BUT FOR NOW ABOUT THREE YEARS OR SO, I HAVE HAD A REST.

Rosa Cheruiyot

Speaking about a water project in Kenya funded by the Fairtrade Premium from Sireet Outgrowers Empowerment and Producers Company Ltd tea sales

FOCUS ON

GOLD

1,195

**1,195 FAIRTRADE CERTIFIED GOLD PRODUCTS
WERE SOLD IN 2013 IN THE UK**

[Read more](#) ▶



NEXT SECTION

FOCUS ON
GOLD



VISIT FAIRGOLD.ORG ►

The value of Fairtrade gold sales increased by 19% in 2013, although the number of individual items was lower than 2012.

It was the second year of the Extending Fairtrade Gold to Africa pilot programme, which aims to bring the first certified gold from Africa to Fairtrade markets, including the UK.

The programme, supported by Comic Relief in the UK, provided training for 1,000 people in Kenya, Uganda and Tanzania to mine more responsibly, including the safe use of mercury, widely used by artisanal and small-scale miners in the extraction of gold.

The Foundation also organised for Fairtrade certified tea and coffee farms to host a group of miners to learn about how they work and the benefits Fairtrade can bring.

To increase UK market access for Fairtrade gold, the Foundation led innovation for a new Goldsmiths Registration Scheme, enabling small jewellers using less than 500g of gold per year to register with the Fairtrade system, to increase sales for certified miners.

WHAT NEXT?

In 2014, we are focusing on working with the jewellery sector to promote the [Goldsmiths Registration Scheme](#) to small jewellers.

Working closely with all operators in the gold supply chain, from refiners and casting houses through to the jewellery brands making the products in store, we will develop new supply routes to bring the gold from mine to market.

“ FROM THE TIME OF CONCEPTION TO THE BIRTH OF MY SON, I HAVE BEEN USING MY BARE HANDS TO PAN (FOR GOLD). THE SAME CONTAINER I USED FOR PANNING IS THE SAME THAT I USED AT HOME TO BATHE IN.

AND WHEN I GAVE BIRTH, I USED THE VERY BASIN TO BATHE HIM. AFTER LEARNING ABOUT THE ADVERSE EFFECTS OF MERCURY ON OUR HEALTH FROM FAIRTRADE, I REALISE THAT MERCURY COULD BE THE REASON FOR MY SON'S EYE DEFECT. ”

Stella Adeke

Artisanal gold miner, Busia, Uganda

UNLOCKING THE POWER OF BUSINESS

We've been working with businesses so they can have a deeper impact for the producers they trade with – from powering debate, to casting a spotlight on the human stories that make our work so vital. [Read more](#) ▶

WE WORK
WITH MORE THAN
400
COMPANIES IN THE UK



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UNLOCKING THE POWER OF BUSINESS

Stimulating business dialogue for better impact

During Fairtrade Fortnight 2013, we launched our report [How businesses are going further to make international supply chains work for smallholder farmers](#) to provoke discussion about strengthening relationships with smallholders.

We worked with KPMG to host a roundtable event for NGOs and businesses that included Tate & Lyle, Marks & Spencer and Cafédirect. We continued to pursue dialogue with a range of businesses interested in investing in further research and practical support for producers in their supply chains.

The year also saw the launch of a partnership with the [Guardian Sustainable Business \(GSB\)](#) supply chain hub, to stimulate more debate about best practice in making supply chains work to deliver better social, environmental and economic outcomes.

Fairtrade worked with business and NGO partners to publish almost 40 pieces of new content in 2013, firmly positioning us as a thought leader on a wide range of sustainability issues, from the uncertain future of cocoa farming, to ethical fashion, women's empowerment and adapting to climate change.

People Tree, Percol and Starbucks were just some of the companies contributing to the hub, which enabled us to reach a professional audience of business leaders and decision-makers, with an average 1,000 readers for each article.



Deepening business impacts in practice

We worked with producers in Latin America and Africa to define good practice business behaviours – from longer-term contracts to inclusion of harder-to-reach communities or increasing transparency.

Their guidance fed into our Deepen Business Impact project for companies that want to make a greater commitment to bringing about change, with the first partnerships being established in 2014.

Fairtrade's impact in coffee

We collaborated with five Fairtrade coffee producers in Nicaragua, Honduras and Costa Rica – all sell to the UK market – on research that led to the publication of a range of new videos and brochures explaining how Fairtrade is contributing to better social, economic and environmental outcomes for farmers and business supply chains.

[Read more](#) ▶

AT CAFÉDIRECT DEEPENING BUSINESS IMPACT IS NOT MERELY BETTER TRADING, IT IS ABOUT AGREEING BEST PRACTICE IN REAL PARTNERSHIP AND USING ALL MECHANISMS POSSIBLE TO MAINTAIN AN OBJECTIVE, TRANSPARENT AND SUSTAINABLE BALANCE.

WITH PRODUCERS, PARTNERS AND THE FAIRTRADE FOUNDATION AT OUR 'JOINT FUTURES' CONFERENCE IN PERU, WE ENGAGED IN GENUINE, DIRECT DIALOGUE, SHARING IDEAS ON HOW TO WORK TOGETHER TO SOLVE BUSINESS ISSUES AND MUCH MORE.

John Steel
Chief Executive, Cafédirect

UNLOCKING THE POWER OF BUSINESS



In autumn 2013, more than 20 businesses, from Greggs to catering firm Sodexo, engaged with our [‘Finding Hannah’ campaign](#) to promote purchase of Fairtrade coffee and connect consumers with the communities who grow their beans.

FAIRTRADE HAS OPENED DOORS FOR US AND KEPT US ALIVE AS SMALL PRODUCERS. YOU CAN SEE THE PEOPLE WHO ARE JUST SELLING TO THE CONVENTIONAL MARKET AND THEY HAVE COMPLETELY DIFFERENT LIVES TO THE ONES WE HAVE...

Juan Andres Marquez Valles
*President of Soppexcca co-operative
in northern Nicaragua*

Stand-up comedian Tony Law took coffee fan Hannah on a ‘bean to cup’ odyssey, travelling to a mystery country that produced Fairtrade coffee. We asked the audience to work out where she was – Peru – through a series of clues and video clips that were viewed over 170,000 times.

Delivering business services

We asked our business customers about their involvement in Fairtrade, through our second customer survey. They told us they were proud to be involved in Fairtrade and confirmed that they share our ambition to drive impact for farmers and influence UK consumers and businesses. Results revealed that 86% believe Fairtrade has a very positive impact on farmers trading on Fairtrade terms.

WHAT NEXT?

In 2014, we continue to build our Deepening Business Impact programme for interested companies, seeking to establish at least three new partnerships beyond core certification approaches.

We will continue to share insight and create debate on supply chain practices in partnership with GSB, and also collaborate with 100% Fair Trade Organisations to support innovation in producer market access and deeper impact.



THE ENTIRE CAMPAIGN DELIVERED THE IMPORTANCE AND IMPACT OF FAIRTRADE, BRINGING IN NEW CONSUMERS IN A FUN, MODERN AND ENGAGING WAY.

Brad Hill
*Fairtrade Strategy Development Manager
at The Co-operative Group, on Finding Hannah*

GALVANISING PUBLIC SUPPORT AND ACTION

We want to forge a strong connection between the UK public and producers to drive demand for Fairtrade products – and inspire our supporters to engage in the issues facing smallholder farmers and workers.

How did we do in 2013? [Read more](#) ▶

25 
NEW FAIRTRADE
TOWNS IN 2013, TAKING
THE TOTAL TO 580



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GALVANISING PUBLIC SUPPORT AND ACTION



In towns, places of worship and especially schools, the number of [campaigning groups spreading the word about Fairtrade](#) increased.

Supporters brought our Make Food Fair campaign to life during Fairtrade Fortnight 2013, in the form of mini paper versions of themselves, lined up in Parliament Square.

We welcomed over 1.2 million visitors to our website, blog and campaign sites and ended the year with 80,000 Twitter followers and 110,000 Facebook fans. And we caught their attention – among the stories the audience most engaged

with on social media included an edible ‘rug’ made from 1,081 Fairtrade sugar meringues.

We didn’t just amplify producers’ voices online – farmer representatives from Fairtrade Africa and the Windward Islands shared their experiences with over 340 visitors from across the UK at our national Supporter Conference in October.

The Foundation took farmers’ and workers’ concerns to the country’s decision-makers too, ensuring they were heard at the highest levels. The UK Parliament’s International Development Select Committee took up one of our recommendations on smallholder farming in its Global Food Security Inquiry in 2013.

And we appeared as a new entrant in MHP Communications’ Political Superbrands Index 2013, a list of the top ten brands and projects most frequently cited by Government ministers.

In 2013, the UK played host to the G8 at Lough Erne in Northern Ireland. We joined over 200 charities and organisations in the Enough Food For Everyone IF coalition, which supported campaigners to call for action on global hunger, with a major event in London’s Hyde Park in June last year.

We led work to encourage the public to consider the food on their plate too as part of the campaign. The Foundation also drew attention to the plight of African, Caribbean and Pacific sugar farmers facing disastrous losses from a change to European Union (EU) agriculture and trade rules on sugar, with over 1,000 people signing postcards calling on the EU to delay the reform. [Read more](#) ▶

WE SUPPORT THE RECOMMENDATIONS OF THE FAIRTRADE FOUNDATION: COMPANIES WHICH PURCHASE CROPS FROM SMALLHOLDERS SHOULD CONTRACT TO OFFER PAYMENT IN REGULAR INSTALMENTS THROUGHOUT THE YEAR, RATHER THAN SIMPLY PAYING AT HARVEST TIME, AND COMPANIES SHOULD ALSO CONSIDER CONTRACTING TO PAY SMALLHOLDERS IN ADVANCE.

The International Development Select Committee’s Global Food Security Report

“ WE BELIEVE THAT CAMPAIGNING IS VITAL IN ORDER TO ENSURE AN ONGOING FAIRTRADE ETHOS AND SENSE OF JUSTICE IN YOUNG PEOPLE. WE DON'T WANT FAIRTRADE TO DIE OUT WITH THE CURRENT GENERATION. ”

Ray Gill, Chair, Bridgnorth Fairtrade Town

31% 

OF SHOPPERS SAY THEY ACTIVELY SEEK FAIRTRADE PRODUCTS

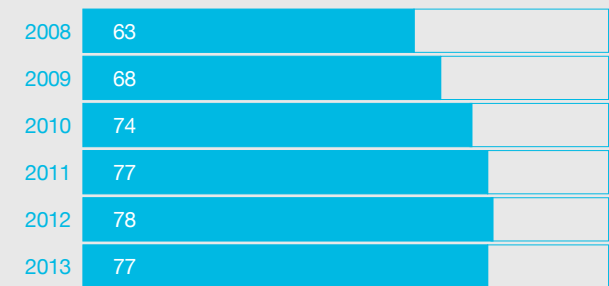
(TNS, January 2013)

[Read more](#) ▶

NEXT SECTION



Do you recognise the FAIRTRADE Mark? (%)



(TNS, March 2014)

GALVANISING PUBLIC SUPPORT AND ACTION

In 2013, Fairtrade International's Power of You initiative made its colourful mark on the UK, with a bold appeal to supporters and farmers around the globe. Its message was one of empowerment – how consumers can help change the world through their everyday product choices and young farmers by sparking change in their communities.

We reached millions of people through [media coverage](#) and our digital channels over the year. There were more than 9,500 mentions of Fairtrade online, in broadcast and

print, from The Times to The Huffington Post, BBC News to OK! Magazine, all largely positive and balanced. Throughout 2013, the Foundation attracted media coverage equivalent to £19.8 million in advertising value.

WHAT NEXT?

We are celebrating the 20th anniversary of Fairtrade products in 2014, and will bring together our grassroots movement with producers and companies to look to the future.

We continue to promote our Make Food Fair campaign, with a particular focus on bananas throughout 2014. We are powering up our campaign groups to go further, too, supporting them in regional networks, and inspiring future generations with a fresh focus on Fairtrade Schools.

[Read more](#) ▶



NEXT SECTION

A LESSON IN ENGAGEMENT

From break-time cake stalls to exploring Fairtrade in geography, maths, citizenship and more, the appetite to learn about Fairtrade and global trade justice continues to grow in [UK schools](#).

The number achieving Fairtrade status increased by 24% from 2012 to 2013 – in July, St Maxentius CE Primary School in Bolton became the 1,000th Fairtrade School.

In June, 470 teachers took part in reshaping our Fairtrade Schools Award – opening up new opportunities for schools to get involved with Fairtrade.

A total of 82% said the main reason for engaging with us was to help pupils develop their understanding of the world around them. [Read more](#) ▶



I THINK FAIRTRADE IS IMPORTANT BECAUSE IT HELPS PEOPLE AROUND THE WORLD TO GIVE THEIR CHILDREN EDUCATION AND SO THEY CAN BUY FOOD FOR THEMSELVES TO LIVE...

Daniella Turner
Year 5, Walmsley C of E
Primary School, Bolton

MAKING BANANAS FAIR IN 2014

We took up the fight to Make Bananas Fair in [Fairtrade Fortnight 2014](#). One in three bananas sold in the UK is now Fairtrade, but we want to unlock the power further to win a sustainable industry and decent standard of living for every banana farmer and worker. So what did we do?

Our report [Britain's Bruising Banana Wars](#) provided comprehensive analysis showing how the economics of the banana supply chain were not adding up. While retail prices have halved here in the UK over the last ten years, the cost of production has doubled for producers.

Six banana producers shared their experiences of Fairtrade up and down the country – an opportunity for them to engage with the public. They included Albeiro Alfonso 'Foncho' Cantillo – the star of our Stick with Foncho campaign – who left his farm in Colombia to add his voice to our call to transform the industry.

The campaign captured imaginations, gaining the support of more than 50 MPs. And in May, we delivered a petition to the Department for Business Innovation and Skills with over 70,000 signatures supporting our campaign.

The fight's not over – bananas remain a major focus for 2014 and we will continue to push for change.

IT AMAZES ME NOW, JUST AS IT DID WHEN I VISITED YOU, HOW SUPPORTERS OF FAIRTRADE PUSH THE MOVEMENT FORWARD WITH SO MUCH POWER. THESE ACTIONS HAVE A HUGE IMPACT FOR ME AND OTHER BANANA PRODUCERS

Albeiro Alfonso 'Foncho' Cantillo
Banana farmer, Colombia



NEXT SECTION



AN INSPIRING AND EFFECTIVE ORGANISATION

The Fairtrade Foundation in the UK is the largest generator of Fairtrade Premium in total, and also per full-time employee. Our position as market leader also brings great responsibility. We strive to be both effective and impactful in the work we do.

What did we achieve in 2013? [Read more](#) ▶

ALMOST
40%
OF ALL PREMIUMS
GENERATED BY THE
FAIRTRADE SYSTEM
COMES FROM THE UK



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AN INSPIRING AND EFFECTIVE ORGANISATION

Global leadership

We have provided direct support and leadership within Fairtrade on a range of programmes and new initiatives – this includes work on global commodities such as cocoa, tea and bananas, the development of Fairtrade Sourcing Programs, direct work on global marketing and brand development, and the Power of You campaign.

We worked on the global Theory of Change and Monitoring, Evaluation and Learning (MEL) programme, as well as providing support for producer networks and market development in Asia and Africa. **The Foundation has worked to build a more effective results and learning framework for Fairtrade globally.** This includes putting more into measuring our work in the UK at greater depth and learning from the process.

Staff development is critical for making sure we deliver impact for producers – in 2013, we invested over twice the amount spent on learning and development in the previous year. Our staff surveys provide useful insight and feedback for how the organisation can keep building towards the highest levels of performance and staff satisfaction.



We held learning lunches for our workforce to share their experiences and knowledge, and produced a learning and development guide setting out Fairtrade's commitment to building a learning organisation. We set in place a new training and leadership programme which our managers all move through.

In 2013, we welcomed a new Chair of the Board of Trustees, Michael Jary, who is a Senior Partner with OC&C Strategy Consultants and brings a wealth of global business expertise. Our thanks go to outgoing chair David Clayton-Smith for his service, which continues as he takes up a new role as Treasurer with Fairtrade International's Board and Finance Committee.

We met our licence fee and reserves targets for 2013, leaving the Foundation on a robust financial footing. We were able to create a designated reserve fund for investment in future innovation, with allocations in 2013 to improving IT infrastructure and work on gender empowerment in Fairtrade.

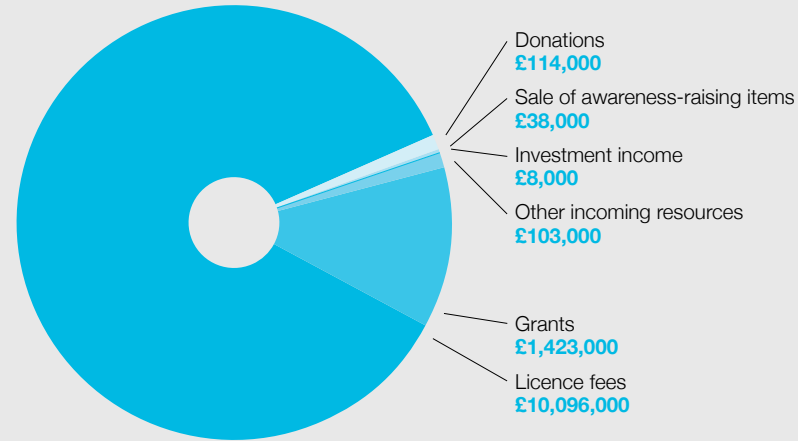
WHAT NEXT?

In the UK, we keep powering up our workforce with continued investment in learning and development, which includes applying for the Investors in People award. Work on the 2016–2020 strategy includes collaborating closely with our Board of Trustees and Fairtrade International's strategic processes to champion innovation for even greater impact in the future.

SUMMARY OF FINANCIAL INFORMATION 2013

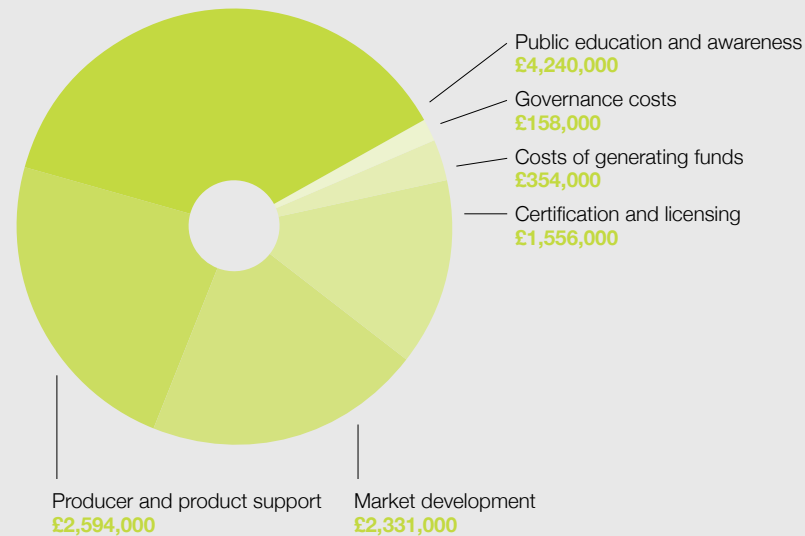
UK income for the year ending 31 December 2013

Total income was **£11.78 million** in 2013. Our main source of income was the licence fees paid by companies for the use of the FAIRTRADE Mark on their certified products. We would also like to thank DFID for extending its financial support in 2013 to both Fairtrade International and the Foundation, and to Comic Relief for its continued support to Fairtrade in Africa.



UK expenditure for the year ending 31 December 2013

Total expenditure in 2013 was **£11.23 million**.



Where applicable, Fairtrade Premium figures shown in product case studies are based on 31 December 2013 Dollar–Sterling conversion rates.

Report by the trustees on the Summarised Financial Statements

The above summarised financial statements are extracted from the full statutory trustees' annual report and financial statements which were approved by the trustees and signed on their behalf on 25 June 2014. The full financial statements, on which the auditors Crowe Clark Whitehill LLP gave an unqualified audit report on 07 July 2014, have been submitted to the Charity Commission and to the Registrar of Companies respectively on 18 July 2014.

The auditors have confirmed to the trustees that, in their opinion, the summarised financial statements are consistent with the full financial statements for the year ended 31 December 2013.

These summarised financial statements may not contain sufficient information to gain a complete understanding of the financial affairs of the charity. The full statutory trustees report, financial statements and auditors' report may be obtained from fairtrade.org.uk/AR13-14

Signed on behalf of the trustees.
26 September 2014

THANK YOU

Fairtrade Foundation members and supporters

Banana Link
 CAFOD*
 Christian Aid*
 Methodist Relief and Development Fund
 National Campaigner Committee
 National Federation of Women's Institutes*
 Nicaragua Solidarity Campaign
 Oxfam*
 People & Planet
 SCIAF
 Shared Interest Foundation
 Soroptimist International GBI
 Tearfund
 Traidcraft Exchange*
 United Reformed Church
 World Development Movement*

**Founder members*

Board members (January 2013 – October 2014)

Patricia Alexander
 Arun Ambatipudi
 David Clayton-Smith (until August 2013)
 Deborah Doane (until August 2013)
 Melissa Duncan
 Jane Frost (from June 2014)
 Michael Jary (from June 2013)
 Simon Maxwell
 Liz May
 Becca Rowland
 Nabs Suma
 Barney Tallack
 Adam Tampuri
 Paul Thompson (from June 2014)

Trust/Foundation donations of £1,000 – £9,999

Souter Charitable Trust
 Henry & Rebecca Tinsley Foundation
 Open Gate Trust
 Shared Interest Foundation
 Morel Trust
 URC Commitment for Life
 The Coutts Charitable Trust
 Paget Charitable Trust

Donations of £10,000 or more



DFID



European Union

The co-operative

We would like to thank all those who have voluntarily donated money and time during 2013–14. This included many dedicated office volunteers, local campaign organisers, individual groups and all those who fundraised to help Fairtrade reach more producers.

Our work would not be possible without you.

Thank you.

fairtrade.org.uk

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