

Fairtrade Cotton Q & A

What is Fairtrade cotton? How is it different from ordinary cotton?

Cotton is vital to the global textile industry and to the social and economic development of developing countries. There's no difference in quality between Fairtrade cotton and normal cotton. The real difference is that the person at the very bottom of the textile supply chain who has grown the cotton has been paid a fair price for their crop. It is not the finished fabric or item of clothing but cotton itself which is Fairtrade certified.

Is Fairtrade cotton organic?

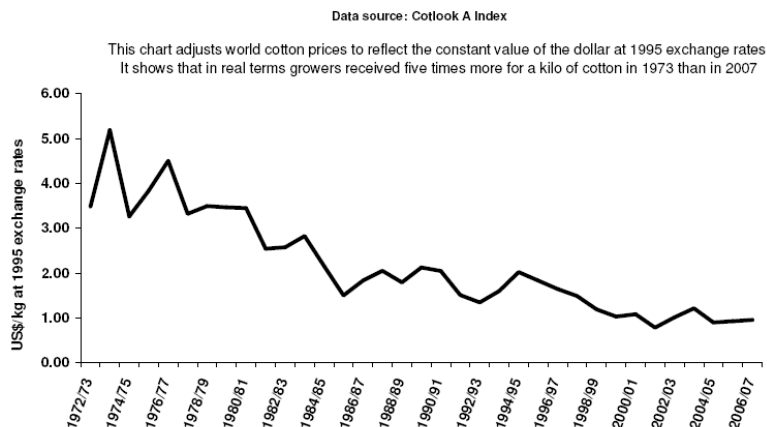
Fairtrade cotton can be organic but is not necessarily so. This is because Fairtrade aims to support the most marginalized farmers who cannot always afford to convert to organic farming or who lack the knowledge about organic agriculture. It can take years to convert a crop to organic, but it is something many Fairtrade cotton farmers are working towards as they receive an even higher price if their cotton is organic. Fairtrade maintains very strong and clear environmental standards based on the international recommendations of the UN Environment Programme, such as the strict control of chemicals and reductions in pesticides on the Pesticide Action Network's Dirty Dozen list*, because they can be harmful to the farmer's environment as well as their own health. Fairtrade also encourages sustainable farming so farmers establish their own environmental development plans to ensure that where possible, waste is managed, materials are recycled, and steps are taken to avoid soil erosion and water pollution. Genetically modified seeds are also strictly forbidden.

Where does Fairtrade cotton come from?

Fairtrade works in 59 countries, with 650 producer groups touching the lives of approximately 7.5 million farmers, workers and their families. There are 33 cotton producer groups in India, Burkina Faso, Cameroon, Mali, Senegal, Brazil, Egypt, Peru and Kyrgyzstan. West Africa and India are the biggest cotton-producing areas.

What are the difficulties faced by cotton farmers in the developing world?

An estimated 100 million rural households are involved in the production of cotton in 70 countries around the world. Two-thirds of this cotton is produced in the developing world. For most cotton farmers in cotton-producing communities it is their only means of income and their only cash crop. In West Africa for example, cotton makes up to 40% of export income. Many cotton farmers also live in poverty – trying to survive on less than \$2 a day. World prices on cotton have been unstable for a long time and farmers have been severely affected by the falling prices. Things are getting harder – not easier. Cotton farmers are under pressure from rising input costs of fuel, pesticides and insecticides. This means that few farmers can cover the cost of production, because they cannot pass these costs on when cotton is sold at such a low price. The Cotlook index * shows that in real terms cotton farmers received five times more for a kilo of cotton in 1973 than they did in 2007.



Cotton farmers in the United States, the EU and China are highly subsidised leading to overproduction. When their huge volumes of cotton are dumped on world markets, prices are driven down and small scale cotton farmers cannot compete.

How do farmers benefit from Fairtrade cotton?

Fairtrade provides a lifeline to farmers ensuring that they are paid a guaranteed minimum price for their cotton crop which has been calculated to cover the sustainable costs of production. They also receive additional money to invest in community projects –the Fairtrade premium - and it is for the farmer organisations to decide how they invest it, depending on what they need most - a school, health centre, equipment or a well. Fairtrade is an effective development tool in that it gives small-scale farmers access to global markets as well as helping them to work their way out of poverty. Buying or producing a product made from Fairtrade certified cotton contributes to fighting poverty and to sustainable development for some of the world's most marginalised cotton farmers.

Do products made from Fairtrade cotton cost more?

Cotton products on sale in the UK vary considerably in price depending on where you buy them, their quality and branding, as well as the economies of scale in the manufacturing supply chain. The chances are, the bigger the volume of product, the more competitively priced it will be. Some companies choose to aim products at premium markets but many are also choosing to convert basic lines to Fairtrade which are sold at conventional prices. Fairtrade has no control over the retail price of products in the market and it is up to individual shoppers to decide whether they feel that products represent good value.

How does a company get the FAIRTRADE Mark on a cotton product?

When you see the FAIRTRADE Mark on a garment it means that the cotton has been sourced from a Fairtrade certified producer organisation. It has also been produced in a fully certified supply chain where there is full traceability of the cotton. Every operator in the supply chain from the ginner to the spinner, knitter, weaver, dyer, garment factory and sub contractor has to be certified to handle Fairtrade cotton. We also ask supply chain operators for independent evidence that they are making efforts to meet recognised labour standards although ultimately it is the responsibility of the brand or company to ensure that these standards are being met.

What motivates companies to work with Fairtrade cotton?

There are many reasons why companies choose to work with Fairtrade. It may be a question of meeting Corporate Social Responsibility strategy and objectives, demonstrating broader ethical commitments, competitive advantage, PR and marketing opportunities, staff and customer engagement or introducing new or refreshed product ranges. We hope that working with Fairtrade is a catalyst for change, encouraging more responsible sourcing practices and accountability for how product is produced.

What is the difference between Fairtrade and fairly traded clothing?

Fairtrade is often confused with fair trade (two words) and ethical sourcing. The generic term fair trade has been used for many years and is used by many companies to define their way of working with suppliers and producers. When you see the FAIRTRADE Mark you know that the product has been sourced using Fairtrade cotton from a certified producer from a fully transparent supply chain. Ethical trading companies such as People Tree, Gossypium and Bishopston have gone the extra mile in working very closely with their supply chains and guaranteeing that their products are sourced ethically.

Does Fairtrade also benefit people working in clothing factories?

Fairtrade is primarily a development tool which is designed to address the problems faced by vulnerable producers of agricultural commodities such as coffee, cocoa and bananas. The certification of cotton addresses the injustices affecting cotton farmers and helps to improve their economic position but the manufacturing process of the cotton from the farmer's field to the end product is not yet guaranteed in the same way. Fairtrade standards require that all companies involved in the manufacturing of a Fairtrade certified cotton product must submit documentation of decent working conditions, however the monitoring of labour conditions is complex and ultimate responsibility must be taken by the end brand or retailer. Organisations such as the Ethical Trading Initiative, the Fair Wear Foundation and Social Accountability International have made enormous efforts to improve working conditions in the garment industry.

Fairtrade complements this work and can be seen as a way of raising the bar and encouraging more responsible sourcing practices amongst brands and retailers. We recognise that there are vulnerable people in the manufacturing supply chain of cotton products who could benefit from Fairtrade certification and we are currently exploring whether and how we can develop a standard which extends the benefits of Fairtrade further so a product could be labelled with the FAIRTRADE Mark from seed to finished garment.

Why are Fairtrade cotton products not more widely available?

Currently Fairtrade cotton products only represent a tiny percentage of the UK market. As consumer demand rises and companies become more aware of the need to source responsibly by supporting Fairtrade cotton, we hope to license more Fairtrade cotton products from high street fashion to babywear, from homeware to school uniforms and bags to cotton wool. We want Fairtrade cotton to become the norm.

Where can I buy Fairtrade cotton products?

Check out the stockist list section of the webpage for information on brands and retailers offering cotton products

<http://www.fairtrade.org.uk/products/cotton/stockists.aspx>

References

PAN (Pesticide Action Network) www.pan-uk.org

COTLOOK www.cotlook.com

ETHICAL TRADING INITIATIVE www.ethicaltrade.org

FAIR WEAR FOUNDATION Fairwear.twokings.eu

SAI www.sa-intl.org