INTRODUCTION TO FAIR TRADE





Promoting the development of the handicraft sector in Tajikistan through fair-trade links and BIOs networking



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National Association of Small and Medium Business of Tajikistan (NASMB) is a nongovernmental, non-profit membership organization, which unites small and medium sized companies as well as business support organizations and other business related organizations,

promotes their interests and protects their rights via provision of different valuable services.

NASMB was established in 1993, and has more than 100 companies in its membership portfolio. www.nasmb.tj



The European Union is established in accordance with the Treaty on European Union. There are currently 27 Member States of the Union. It is based on the European Communities and the member states cooperation in the fields of Common Foreign and Security Policy and Justice and Home Affairs. The five main institutions of the European Union are the European Parliament, the Council of Ministers, the European Commission, the Court of Justice and the Court of Auditors.

The European Union is a major player in international cooperation and development aid. It is also the world's largest humanitarian aid donor. Today, the European Community has political and financial responsibility for over 11% of the world's public aid (ODA), compared with 5% in 1985. The primary aim of the EC's own development policy, agreed in November 2000, is the eradication of poverty. http://europa.eu/

The European Union is funding the program "Central Asia Invest", to which this project belongs.

Central Asia Invest is promoting the development of the private sector, especially of small and medium-sized enterprises, in Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. The programme is working on two levels: On the level of Central Asia Business Intermediary Organisations to improve their services to small and medium-sized enterprises, and on the policy level to improve the overall business climate. http://ec.europa.eu/europeaid/where/asia/regional-cooperation-central-asia/sme-development/ca invest en.htm

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INTRODUCTION

What is Fair Trade?

Fair Trade is a **trading partnership**, based on **dialogue**, **transparency** and **respect** that seek **greater equity** in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers — especially in the developing Countries.

Fair Trade organizations have a clear commitment to Fair Trade as the principal core of their mission. Fair Trade Organizations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade."

Fair Trade products are produced and traded in accordance with these principles - wherever possible verified by credible, independent assurance systems.

Fair Trade is more than just trading: it proves that **greater justice in world trade is possible**. It highlights the need for change in the rules and practice of conventional trade and shows how a successful business can also put people first.



Why Fair Trade?

In an era of mass consumption, Fair Trade puts forward a big challenge for producers and consumers to seriously think about. The underpaid workers at the far end of the line, the rapidly degrading environment, the fading cultural identity and traditions, the discriminated women, the exploited and overworked children, and the families and communities searching for means to survive.

Fair Trade is fundamentally a response to the failure of conventional trade to deliver sustainable livelihoods and development opportunities to people in the poorest countries of the world; this is evidenced by the two billion of our fellow citizens who, despite working extremely hard, survive on less than \$2 per day.

Poverty and hardship limit people's choices while market forces tend to further marginalize and exclude them.

This makes them vulnerable to exploitation, whether as farmers or artisans in family-based production units or as hired workers within larger businesses.

Fair Trade organizations challenge everyone with a very basic inquiry— do we allow businesses and trade to contribute in perpetuating these social inequalities and environmental injustice?



HISTORY OF FAIR TRADE

Where did it all begin?

There are many stories about the history of Fair Trade.

It all started in the United States, where Ten Thousand Villages (formerly Self Help Crafts) began buying needlework from Puerto Rico in 1946, and SERRV, one big American reseller, began to trade with poor communities in the South in the late 1940s. The first formal "Fair Trade" shop which sold these and other items opened in 1958 in the USA.

The earliest traces of Fair Trade in Europe date from the late 1950s when Oxfam UK started to sell crafts made by Chinese refugees in Oxfam shops. In 1964 it created the first Fair Trade Organization. Parallel initiatives were taking place in the Netherlands and in 1967 the importing organization, Fair Trade Original, was established.

At the same time, Dutch third world groups began to sell cane sugar with the message "by buying cane sugar you give people in poor countries a place in the sun of prosperity". These groups went on to sell handicrafts from the South, and in 1969 the first "Third World Shop" opened. World Shops, or Fair Trade shops as they are called in other parts in the world, have played (and still play) a crucial role in the Fair Trade movement. They constitute not only points of sales but are also very active in campaigning and awareness-raising.

During the 1960s and 1970s, many such Southern Fair Trade Organizations were established, and links were made with the new organizations in the North. These relationships were based on partnership, dialogue, transparency and respect. The goal was greater equity in international trade.

Parallel to this citizens' movement, the developing countries were addressing international political fora such as the second UNCTAD conference (United Nations Conference on Trade and Development) in Delhi in 1968, to communicate the message "Trade not Aid". This approach put the emphasis on the establishment of equitable trade relations with the South, instead of seeing the North appropriate all the benefits and only returning a small part of these benefits in the form of development aid.

The growth of Fair Trade from the late 60s onwards has been associated primarily with development trade. Its founders were often the large development and sometimes religious agencies in European countries. These NGOs, working with their counterparts in countries in the South, assisted to establish Southern Fair Trade Organizations that organize producers and production, provide social services to producers, and export to the North. Organizations were set up to import goods from developing countries that were both politically and economically marginalized.

Exotic crafts and food

In the beginning, Fair Trade Organizations traded mostly with handcrafts producers, mainly because of their contacts with missionaries. Often, crafts provide "supplementary income" to families; they are of crucial importance to households headed by women who have limited employment opportunities. Most Northern Fair Trade Organizations focused on buying these crafts and sold them through World Shops. The market for crafts through these World shops was wide open and for many Fair Trade Organizations sales grew and grew. Organizations were set up to import goods from progressive countries in the South that were both politically and economically marginalised.

In 1973, Fair Trade Original in the Netherlands, imported the first "fairly traded" coffee from cooperatives of small farmers in Guatemala. Now, more than 30 years later, Fair coffee has become a concept. Meanwhile hundreds of thousands of coffee farmers have benefited from Fair Trade in coffee. And in Europe

more and more consumers drink fair coffee. Right now between 25 to 50 % of turnover of Northern Fair Trade Organizations comes from this product. After coffee, the food range was expanded and it now includes products like tea, cocoa, sugar, wine, fruit juices, nuts, spices, rice, etc.

Food products enable Fair Trade Organizations to open new markets, such as institutional markets, supermarkets and bio shops. In addition to these food products, other non-food products such as flowers and cotton have been added to the Fair Trade assortment.

In the first decades Fair Trade products were sold mainly by Fair Trade Organizations that had Fair Trade as the central ethos guiding their activities. In the seventies and eighties, Fair Trade products were sold to consumers mainly in world shops or Fair Trade shops.



THE 10 PRINCIPLES OF FAIR TRADE

WFTO prescribes 10 Principles that Fair Trade Organizations must follow in their day-to-day work and carries out monitoring to ensure these principles are upheld:

1. Creating Opportunities for Economically Disadvantaged Producers

Poverty reduction through trade forms a key part of the organization's aims. The organization supports **marginalized small producers**, whether these are independent family businesses, or grouped in associations or co-operatives. It seeks to enable them to move from income insecurity and poverty to economic self-sufficiency and ownership. The organization has a plan of action to carry this out.

2. Transparency and Accountability

The organization is **transparent** in its management and commercial relations. It is accountable to all its stakeholders and respects the sensitivity and confidentiality of commercial information supplied. The organization finds appropriate, participatory ways to involve employees, members and producers in its decision-making processes. It ensures that relevant information is provided to all its trading partners. The communication channels are good and open at all levels of the supply chain.

3. Fair Trading Practices

The organization **trades with concern** for the social, economic and environmental well-being of marginalized small producers and does not maximize profit at their expense. It is responsible and professional in meeting its commitments in a timely manner. Suppliers respect contracts and deliver products on time and to the desired quality and specifications.

Fair Trade buyers, recognizing the financial disadvantages producers and suppliers face, ensure orders are paid on receipt of documents and according to the attached guidelines. A pre payment of at least 50% is made if requested.

Where southern Fair Trade suppliers receive a pre payment from buyers, they ensure that this payment is passed on to the producers or farmers who make or grow their Fair Trade products.

Buyers consult with suppliers before canceling or rejecting orders. Where orders are cancelled through no fault of producers or suppliers, adequate compensation is guaranteed for work already done. Suppliers and producers consult with buyers if there is a problem with delivery, and ensure compensation is provided when delivered quantities and qualities do not match those invoiced.

The organization maintains long-term relationships based on solidarity, trust and mutual respect that contribute to the promotion and growth of Fair Trade. It maintains effective communication with its trading partners. Parties involved in a trading relationship seek to increase the volume of the trade between them and the value and diversity of their product offer as a means of growing Fair Trade for the producers in order to increase their incomes.

Fair Trade recognizes, promotes and protects the **cultural identity and traditional** skills of small producers as reflected in their craft designs, food products and other related services.

4. Payment of a Fair Price

A fair price is one that has been **mutually agreed** by all through dialogue and participation, which provides fair pay to the producers and can also be sustained by the market.

Where Fair Trade pricing structures exist, these are used as a minimum. Fair pay means provision of socially acceptable remuneration (in the local context) considered by producers themselves to be fair and which takes into account the principle of equal pay for equal work by women and men. Fair Trade marketing and importing organizations support capacity building as required to producers, to enable them to set a fair price.



5. Ensuring no Child Labour and Forced Labour

The organization adheres to the **UN Convention on the Rights of the Child**, and national/local law on the employment of children. The organization ensures that there is no forced labour in its workforce and/or members or home workers.

Organizations who buy Fair Trade products from producer groups either directly or through intermediaries ensure that **no forced labor** is used in production and the producer complies with the UN Convention on the Rights of the Child, and national/local law on the employment of children. Any involvement of children in the production of Fair Trade products (including learning a traditional art or craft) is always disclosed and monitored and does not adversely affect the children's well-being, security, educational requirements and need for play.



6. Commitment to Non Discrimination, Gender Equity and Freedom of Association

The organization **does not discriminate** in hiring, remuneration, access to training, promotion, termination or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, HIV/Aids status or age.

The organization provides opportunities for women and men to develop their skills and actively promotes applications from women for job vacancies and for leadership positions in the organization. The organization takes into account the **special health and safety needs** of pregnant women and breast-feeding mothers. Women fully participate in decisions concerning the use of benefits accruing from the production process.

The organization respects the right of all employees to form and join **trade unions** of their choice and to bargain collectively. Where the right to join trade unions and bargain collectively is restricted by law and/or political environment, the organization will enable means of independent and free association and bargaining for employees. The organization ensures that representatives of employees are not subject to discrimination in the workplace.

Organizations working directly with producers ensure that women are always paid for their contribution to the production process, and when women do the same work as men they are paid at the same rates as men.

7. Ensuring Good Working Conditions

The organization provides a **safe and healthy working environment** for employees and/or members. It complies, at a minimum, with national and local laws and ILO (International Labour Organization) conventions on health and safety.

Working hours and conditions for employees and / or members (and any home workers) comply with conditions established by national and local laws and ILO conventions.

Fair Trade Organizations are aware of the health and safety conditions in the producer groups they buy from. They seek, on an ongoing basis, to raise awareness of health and safety issues and improve health and safety practices in producer groups.

8. Providing Capacity Building

The organization seeks to increase positive developmental impacts for small, marginalized producers through Fair Trade.

The organization develops the skills and capabilities of its own employees or members. Organizations working directly with small producers develop specific activities to help these producers improve their management skills, production capabilities and access to markets local/regional/international/Fair Trade and mainstream as appropriate. Organizations, which buy Fair Trade products through Fair Trade intermediaries in the South, assist these organizations to develop their capacity to support the marginalized producer groups that they work with.





9. Promoting Fair Trade

The organization **raises awareness** of the aim of Fair Trade and of the need for greater justice in world trade through Fair Trade. It advocates for the objectives and activities of Fair Trade according to the scope of the organization. The organization provides its customers with information about itself, the products it markets, and the producer organizations or members that make or harvest the products. Honest advertising and marketing techniques are always used

10. Respect for the Environment

Organizations that produce Fair Trade products maximize the use of raw materials from sustainably managed sources in their ranges, **buying locally** when possible. They use production technologies that seek **to reduce energy consumption** and where possible use renewable energy technologies that minimize greenhouse gas emissions. They seek to minimize the impact of their waste stream on the environment. Fair Trade agricultural commodity producers minimize their environmental impacts, by using organic or low pesticide use production methods wherever possible.

Buyers and importers of Fair Trade products give priority to buying products made from raw materials that originate from **sustainably managed sources**, and have the least overall impact on the environment. All organizations use recycled or easily biodegradable materials for packing to the extent possible.

Summarizing the ten Principles

- Creating Opportunities for Economically Disadvantaged Producers
- 2. Transparency and Accountability
- 3. Fair Trading Practices
- 4. Payment of a Fair Price
- 5. Ensuring no Child Labour and Forced Labour

- 6. Commitment to Non Discrimination, Gender Equity and Freedom of Association
- 7. Ensuring Good Working Conditions
- 8. Providing Capacity Building
- 9. Promoting Fair Trade
- 10. Respect for the Environment



BENEFITS OF FAIR-TRADE

For **producers** Fair-trade is unique in offering four important benefits

Stable prices

For most products, prices that at least cover the costs of sustainable production – even when world market prices fall.



A Fair-trade Premium

The Premium helps producers to improve the quality of their lives. It is paid on top of the agreed Fairtrade price, and producers decide democratically how to use it. Typically they invest it education, healthcare, improvements farm or facilities processing to increase income.



Partnership

Producers are involved in decisions that affect their future. Fair-trade certified producers jointly own and Fair-trade manage International. Through the Fair-trade International's Board, its Committees and consultation processes influence producers can prices, premiums, standards and overall strategy.



Empowerment of workers

Production groups must have a democratic structure and transparent administration in order to be certified. Workers must be allowed to have representatives on a committee that decides on the use of the Fair Trade premium.



With Fair Trade everyone wins

Consumers

Shoppers can buy products in line with their values and principles. They can choose from an ever growing range of great products. By buying into Fair-trade consumers support producers who are struggling to improve their lives.



Traders/companies

Fair-Trade offers company a credible way to ensure that their trade has a positive impact for the people at the end of the chain.



Environment

management.

Fair-Trade rewards and encourages farming and production practices that are environmentally sustainable. Producers are also encouraged to strive toward **organic certification.** Producers must: Protect the environment in which they work and live. This includes areas of natural water, virgin forest and other important land areas and dealing with problems of erosion and waste

Not, intentionally, use products that include genetically modified organisms (GMO).



FREE TRADE vs. FAIR TRADE

What's the difference between **Free Trade** and **Fair Trade**? Free trade advocates and fair trade advocates have a lot of goals in common. Both seek to help farmers and other producers get access to the global market and to improve wages for producers. Their ideologies, however, differ in some important ways.

Say you're looking to buy a cup of coffee....

Free trade means that the producer (farmers, small business owners, manufacturers, etc.) who harvested the coffee beans sold them without the interference of the government's tax or monetary gifts - tariffs, subsidies, price controls or pork-barrel politics.

Sounds pretty good, right?

For **some**, it is. Free trade proponents believe that levelling the playing field among producers from all nations is the best way of matching global supply to demand while making all people involved more prosperous.

Though by some accounts, free trade leaves producers in developing countries at a disadvantage. In those countries, producers lack social security and other safety nets that would help them hold out on selling their wares during times when prices are low. While producers in more prosperous nations can wait to sell at times like these, their counterparts in developing nations must sell immediately. As a result, they **lose a lot of money.**

Fair Trade means you believe there are some rules in trade that must be placed in order to provide opportunities for producers who have disadvantages in a free market. If you buy a fair trade cup of coffee, it means that the farmer who harvested the beans in a developing nation had some help getting his specific product to you.

Fair trade aims to help **producers** in developing countries obtain better trading conditions and gives an extra boost to those producers who promote sustainability (that is, eco-friendly agriculture). Rather than leaving environmental standards and wages up to the market, fair trade actively pushes for higher price for producers as well as social and environmental standards.





HOW IT WORKS: TWO DIFFERENT APPROACHES

Two routes to market Fair Trade...

Fair Trade products are marketed through two different routes. The traditional or integrated route is where goods are produced, imported and/or distributed by specialized Fair Trade Organizations who have Fair Trade at the core of their mission and activities. The other route to market is through Fairtrade labelling and certification. In this case, goods (mainly food products) are Fairtrade certified by an independent third party verification body to guarantee that their production chains respect Fairtrade standards. The importers and traders can be traditional commercial companies, and the distribution channels can be regular retail outlets.

...are reflected in two sets of Fair Trade Standards

The existing Fair Trade standards respond to the needs of these two approaches. International Fair Trade standards for labelled products have been developed by FLO (Fairtrade Labelling Organizations International) and for Fair Trade Organizations by IFAT (International Fair Trade Association). Both systems are based on the joint Fair Trade definition and principles. Details can be found at www.fairtrade.net and www.wfto.com.



FLO Route



Fairtrade Labelling Organizations International (FLO), established in 1997, is an association of 20 national Labelling Initiatives that promote and market the Fairtrade Certification Mark in their countries. FLO is the leading Fairtrade standard FAIRTRADE setting body for labelled products. Its affiliated

company FLO-Cert regularly inspects and certifies over 500 producer organizations in more than 50 countries in Africa, Asia and Latin America.

Fairtrade Standards are developed by the FLO Standards Committee, which is composed of FLO's labelling initiatives, producer organizations, traders and external experts.

Producers and traders need to comply with the applicable Generic and Product Standards.

Generic Standards have been developed for both small farmers' organisations and for hired labour. They cover:

- 1. Social Development, including democracy, participation, transparency and non-discrimination
- 2. Economic Development, including the Fairtrade Premium

Product standards have so far been developed for 17 food and non-food products, ranging from coffee, tea, sugar, cocoa, rice, and fruit to flowers, cotton and sport balls. The product standards specify the minimum price and premium as well as other productspecific requirements.

Certification of compliance with these standards is done by the independent organization FLO-Cert GmbH (www.flo-cert.net), which is currently in the process of becoming ISO 65 accredited.

WFTO route



combine their campaigning.

The integrated supply chain route whereby products are imported and/or distributed by organisations that have Fair Trade at the core of their mission and activities, using it as a development tool to support disadvantaged producers and to reduce poverty. and marketing with awareness-raising and

The WFTO is the global network of Fair Trade Organizations, with over 300 members in 70 countries. The membership is very diverse, ranging from small producer organizations to large cooperatives and from one-person importers to retailers with turnover of several million euros. Two thirds of WFTO members are located in developing countries.

Each standard is accompanied by a set of measurable indicators and compliance criteria, which differ between "entry" and "progress" level. FTOs in compliance with these standards can acquire the right to use the FTO Mark for their organisation.

To ensure compliance with WFTO standards, a three-tier monitoring system has been developed, with bi-annual selfassessments, carried out by each member 2 peer reviews, usually carried out by the trading partners and 3 random external verification of 5-10% of organizations every year.

The monitoring system is accompanied by a complaints procedure. If a complaint is credible, External Verification can be commissioned. The investigation can lead to suspension or expulsion from membership and withdrawal of the right to use the WFTO Mark.

A FAIR TRADE STORY

"An outlook for a better life"

An interview with Peter from Zimbabwe and Daan van Vugt from The Netherlands

From: Duch Association of Wordshops (DAWS) Producer: Peter, Zimbabwe, Amandla Company Importer: Daan van Vugt, The Netherlands

Peter, where do you come from and what does your country look like?

Peter starts laughing He says that Zimbabwe is a beautiful country full of wild animals it is not desert land, but it definitely is land. Zimbabwe is land-locked; it has no sea-coast and is surrounded by other countries: Botswana, Mozambique, South-Africa and Zambia. The capital of Zimbabwe is Harare, which is where Peter lives. Literally translated Zimbabwe means 'house of stone'. The country obtained this name due to the many types of stone that are present in the soil.

What products do you make and supply to Daan?

We make carvings out of different types of stone; each stone has a different hardness. One artisan can make about 50 carvings in a month, depending on the size every half year a shipment is sent to the Netherlands. There the carvings are for sale at Amandla in centrum Mondiaal.

How do you make the carvings?

Zimbabwe has a stony soil. Serpentine is the general name for these different types of stones. It is also known as snake stone. The stone is found close to the surface of the earth and is mined by people employed to do that. Then the stone needs to be transported from the mine to the working place. The snake stone has to be transported over a distance of 200 km, so a truck needs to be rented. Mining and transporting the stone is the most expensive part. It is also the hardest part because it doesn't go naturally. You need a travel permit (which costs money) so people try to smuggle it. The police are corrupt. While you are on the road you can be checked by the police who will demand bribes if you are unable to pay, your cargo is likely to be confiscated. At that point you have no other choice but to unload, because the truck has been rented for a certain number of hours.

At the work place the larger pieces are processed into smaller pieces of stone that can be worked with. The sculptors work in the open air with different kinds of tools. First the shape is roughly carved out, then a knife, file and coarse sandpaper are used to model the carving further. The final phase consists of further scraping with polishing paper until the surface is entirely smooth. This is a time consuming process. Finishing involves placing the carvings around a wooden fire to heat them up. When they are properly hot they are smeared with melted wax. This gives them an especially beautiful colour, because the melted wax will draw into the stone This allows the stone to reveal its structure.

With how many people do you cooperate in Harare?

The carvers work in a number of different places in Zimbabwe. There are 50-100 people in each workplace, in total about 300 families are involved. The carvers began to cooperate about fifty

years ago. It started with a German priest. Back at the time it wasn't called Fair Trade of course, but we have always worked according to those principles.

What are you most proud of?

I am most proud of the fact that we export our carvings to Europe. At first that wasn't possible and we could only sell them in Zimbabwe. But that was almost impossible because so few people had money, we had almost nothing to do due to the political situation, tourists stayed away. It means a lot to us that we can sell our products to Europe now. People in Zimbabwe work hard to survive. We have been exporting to Europe since 1996.

What does it mean for you to be involved with Fair Trade?

It creates visibility for our product in the market. This provides an income which the people really need. Without paying tuition fee, our kids cannot go to school. People in Zimbabwe don't have savings. Thanks to our income the kids can go to school now.

Access to the (European) market and the sale of our products is therefore most important to us. Working conditions and the working place can be improved. But at least we do not employ children. By nature kids from Zimbabwe are very polite and friendly. "They please more". Dutch children could take an example from that, Daan laughs.

How did you get in touch with Daan, the importer from the Netherlands?

Through a friend in Amsterdam producer Peter and importer Daan got in touch with each other. Daan says: "I had a certified agent in Zimbabwe, but he left. I had paid € 15 000, in advance and never saw any of that back again. This person had cheated me and it almost left me bankrupt".

A woman in Amsterdam, who knew both Peter and Daan, then got the two of them together. She had a trading relationship with a cousin of Peter who sells postcards. She said to Daan: "Maybe Peter can deliver to you and help you out that way". And that is how it went. They have been working together for the last two years.

What would you like the people who buy your products here, to know?

Daan says: "What I find so sad about the situation is that it doesn't provide people with a future. That is the little difference we can make with Fair Trade. To help people have work, income, a future. Is that how you would describe it, Peter?" Peter nods in agreement and says: "Yes an outlook for a better life".



FAIR TRADE IN TAJIKISTAN

Reasons and justification of doing Fair Trade in Tajikistan:

- Raising and stabilizing the incomes of small-scale farmers, farm workers, and artisans (For most products, prices cover the costs of sustainable production – even when world market prices fall. Producers are paid a fair price guaranteed always to cover the cost of production). Fair Trade is an alternative way to provide livelihoods for marginalized producers.
- More equitably distributing the economic gains, opportunities and risks associated with the production and sale of these goods. Fair Trade links small size producers to a global market while generating wealth to be allocated directly to producers.



- 3. Increasing the organizational and commercial capacities of producer groups. Since Fair Trade works a lot with cooperatives, it allows knowledge and production capacities to be spread widespread among members allowing larger number of people to benefit from it. Promoting labour rights and the right of workers to organize in the country.
- 4. One of the Fair Trade principles is transparency. Fair Trade helps to improve Tajikistan's corruption record by insisting on transparent and direct reporting and activities from cooperatives.
- 5. Connecting world consumers and Tajik producers thus raising awareness on Tajikistan.
- 6. Tajikistan continues to remain dependent on two primary commodities – aluminium and cotton – for its export revenues. Fair Trade helps to break Tajikistan's dependency on imports (which are twice as much as the exports) and diversify production.
- 7. Direct trade relationships, solid sales channels and long term contracts between importers and producer groups instead of one shot hazardous profit makings.
- 8. Higher than conventional market prices, either through abovemarket premiums and/or price floors which empowers small Tajik producers.

- 9. Fair-trade rewards and encourages farming and production practices that are environmentally sustainable. Producers are also encouraged to strive toward organic certification. Fair Trade guarantees a greater respect for the environment also encouraging traceability of production.
- 10. Remittances continue to be an important source of external financing in Tajikistan. Fair Trade paves the way for another source of providing livelihoods and incites farmers and artisans to produce quality products thus breaking dependency on remittances.
- 11. Access to the global economy is another pillar of a good enabling environment, because the external sector is a central source of potential markets and modern inputs, technology, and finance, as well as competitive pressure for efficiency and rising productivity.
- 12. Fair Trade encourages agricultural production; it also strengthens food security in Tajikistan.

According to "Fair Trade Market Conditions Assessment Tajikistan – August 2011" by Gozde Avci, OSCE FT report.



FIND OUT MORE

To get more information on Fair Trade the three best sources are:

www.wfto.com - World Fair Trade Organization's web sitewww.wfto-asia.com - The Asian consortium of WFTO members.www.fairtrade.net - Fair Trade Labelling Organization

In the last year many NGOs and International Organization's are getting interested in Fair Trade in Tajikistan.

If you want to know more about Fair Trade in Tajikistan, please contact:



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