

What is Fair Trade certification?

Fair Trade certification is a market-based model of international trade that benefits over one million farmers and farm workers in 58 developing countries across Africa, Asia and Latin America. Fair Trade certification enables consumers to vote for a better world with their dollars, simply by looking for the Fair Trade Certified label on the products they buy.

Fair Trade Certified agricultural products including coffee, tea and herbs, cocoa and chocolate, fresh fruit, sugar, rice, and spices (vanilla) are currently available at over 35,000 retail establishments in the U.S.

Fair Trade empowers farmers and farm workers to lift themselves out of poverty by developing the business skills necessary to compete in the global marketplace. By guaranteeing minimum floor prices and social premiums, Fair Trade enables producers to invest in their farms and communities and protect the environment. But Fair Trade is much more than a fair price.

Fair Trade principles include:

- **Fair prices:** Democratically organized farmer groups receive a guaranteed minimum floor price and an additional premium for certified organic products. Farmer organizations are also eligible for pre-harvest credit.
- **Fair labor conditions:** Workers on Fair Trade farms enjoy freedom of association, safe working conditions, and living wages. Forced child labor is strictly prohibited.
- **Direct trade:** Importers purchase from Fair Trade producer groups as directly as possible, eliminating unnecessary middlemen and empowering farmers to strengthen their organizations and become competitive players in the global economy.
- **Democratic and transparent organizations:** Fair Trade farmers and farm workers decide democratically how to use their Fair Trade revenues.
- **Community development:** Fair Trade farmers and farm workers invest Fair Trade premiums in social and business development projects like scholarship programs, quality improvement trainings, and organic certification.
- **Environmental sustainability:** The Fair Trade certification system strictly prohibits the use of genetically modified organisms (GMOs), promotes integrated farm management systems that improve soil fertility, and limits the use of harmful agrochemicals in favor of environmentally sustainable farming methods that protect farmers' health and preserve valuable ecosystems for future generations.

What is TransFair USA and what does TransFair do?

TransFair USA, a non-profit organization, is the only independent, third-party certifier of Fair Trade products in the U.S. TransFair's rigorous audit system verifies industry compliance with Fair Trade criteria. TransFair licenses over 600 U.S. companies to display the Fair Trade Certified label on agricultural products that meet strict international Fair Trade standards. TransFair is one of 23 members of Fairtrade Labelling Organizations International (FLO).

TransFair USA enables sustainable development and community empowerment by cultivating a more equitable global trade model that benefits farmers, workers, consumers, industry and the earth. We achieve our mission by certifying and promoting Fair Trade products.

What is FLO and what does FLO do?

Fairtrade Labelling Organizations International (FLO) is an association of producer networks and 20 Labelling Initiatives, including TransFair USA, that certify and promote Fair Trade products internationally. FLO is based in Bonn, Germany and is composed of two separate organizations:

FLO International is a non-profit, multi-stakeholder association involving FLO's 23 member organizations (or National Labelling Initiatives), producer groups, traders and external experts. FLO e.V. develops and reviews the international Fair Trade standards.

FLO-Cert inspects and certifies producer groups in more than 50 countries across Africa, Asia and Latin America.

For more information about FLO, please visit their website at www.fairtrade.net

Which products are Fair Trade Certified™ in the U.S.?

TransFair USA began certifying coffee in 1998 and has since expanded to include tea and herbs, cocoa and chocolate, fresh fruit, sugar, rice, and spices. TransFair is currently investigating the potential to certify additional products. Fair Trade Certified flowers, cotton, honey, sports balls, wine and beer are available in the European market. TransFair does not certify handicrafts.

Does TransFair USA certify crafts?

No. At this time TransFair USA only certifies agricultural products. The Fair Trade Certification model was designed for commodity products and has not yet been adapted to handicrafts and other products made by small-scale artisans, which are unique and have highly varied production processes and costs. Fairtrade Labelling Organizations International (FLO) and IFAT (an umbrella organization representing Fair Trade producers and importers, many of whom work with handicrafts) have been working together over the past few years to integrate their systems more closely. Ideally, this would enable TransFair to certify handicrafts and other IFAT-member products in the future. This negotiation should be finalized during 2007. In addition, World of Good Development Organization is developing a pricing tool for fair trade crafts that could contribute to solving some of the technical obstacles to certification.

Although there is currently no third-party Fair Trade certification for crafts, housewares, garments, etc., many importers and retailers do adhere to general fair trade principals, including establishing direct, long-term relationships with suppliers, paying fair prices, and assuring safe working conditions.

To purchase fairly traded goods, please visit the following sites:

- [A Greater Gift](#) - a program of SERRV International, one of the first alternative trade organizations in the world and a founding member of the International Fair Trade Association (IFAT).
- [Bead for Life](#) - Ugandan women craft beautiful beads out of colorful recycled paper, "eradicating poverty one bead at a time."
- [Fair Trade Federation](#) - a membership association of retailers and importers committed to fair trade principles.
- [Fair Trade Sports](#) - the first sports equipment company in the US. offering fairly traded soccer balls, sports apparel and more.
- [Global Exchange Online Store](#) - shop online with Global Exchange, knowing the products you buy are entirely sweatshop free.
- [Mercado Global](#) - a non-profit fair trade organization that links rural and economically-disadvantaged cooperatives to the U.S. market.
- [Pachamama, World of Artisans](#) - Pachamama works to increase consumer awareness, build equitable producer relationships and bring beautiful fair trade products to the public.
- [Ten Thousand Villages](#) - one of the world's oldest and largest fair trade organizations, offering jewelry, home décor and gifts.
- [World of Good](#) - Berkeley-based World of Good offers ethically sourced gifts, housewares and accessories.

Who determines Fair Trade standards?

Fairtrade Labelling Organizations International (FLO) establishes Fair Trade standards using a multi-stakeholder process involving producers, workers, mission-based companies, conventional traders, Labeling Initiatives (like TransFair USA), and independent consultants specializing in Fair Trade and labor issues. This process ensures that a broad range of viewpoints is considered in setting and reviewing Fair Trade standards. FLO sets standards in accordance with the requirements of the [ISEAL](#) Code of Good Practice in standards setting.

To read the complete standards for all Fair Trade products and to learn more about the process by which they are created, please visit [FLO's website](#).

Are Fair Trade Certified products also certified organic?

Fair Trade standards require sustainable farming techniques and offer price premiums for organic production, but Fair Trade certification does not guarantee that a product was organically grown.

However, Fair Trade farmers are more likely to use sustainable, traditional growing methods rather than apply (expensive) agrochemicals, and producer groups frequently use Fair Trade revenues to train members in environmentally sustainable farming practices and to finance the cost of organic certification.

Fair Trade and organic certification often go hand in hand. Currently over 60% of Fair Trade Certified coffee in the U.S. is also certified organic.

Do Fair Trade Certified products cost more than conventional products?

Not necessarily. Fair Trade Certified coffees and chocolates are generally priced competitively with other gourmet, specialty coffees and chocolates. They are, though, more expensive than mass-produced, low quality coffees and chocolates. Fair Trade Certified bananas, on the other hand, can cost much more than conventional bananas because small cooperatives lack the extensive shipping and logistical capabilities of vertically-integrated, multinational fruit companies and incur higher costs to transport their products to market. Furthermore, the same Fair Trade Certified product can have different prices in different retailers across the country.

In the end, product manufacturers and retailers set their own prices and TransFair does not control or influence retail pricing of Fair Trade Certified products in any way. As Fair Trade expands to ever more companies and retailers, consumers increasingly have more choice of where to buy their Fair Trade Certified products. This increased competition will most likely drive down retail prices of Fair Trade Certified products.

Information provided by <http://www.transfairusa.org/>

This page last updated: June 21, 2007