

Fairtrade and Rainforest Alliance Standards

Fairtrade

Rainforest Alliance

Standards		
Social Production Specifications	<p>Standards for democratic organization: all farms must form co-operatives collective use of social premium</p> <p><u>Upholding 10 ILO conventions:</u> right to association collective bargaining freedom from discrimination and unequal pay no forced or child labor minimum social and labor conditions right to safe and healthy working conditions</p>	<p>Standards for fair treatment and good conditions for workers</p> <p><u>Upholding a few ILO conventions:</u> freedom from discrimination and unequal pay no forced or child labor occupational health and safety</p>
Ecological Production Specifications	<p>Standards for reduction of agrochemical use, reduction and composting of wastes, promotion of soil fertility, prevention of fires and avoidance of GMOs.</p>	<p>Standards for ecosystem and wildlife conservation, integrated crop management and integrated management of waste.</p>
Trade Specifications	<p>Standard for trade relationship, long term contracts, and credit advances</p>	<p>None</p>
Production Price Premium	<p>Guaranteed price floor \$ 1.21 / lb social premium \$.59 / lb in 2004 organic \$.15 / lb</p>	<p>Varies, but estimated in 2004 as: \$.1 to .2 / lb</p>

Picture 1 Justin Trauben, *Fair Expectations: Rainforest Alliance v. Fairtrade*, Organic Consumers Association, June 23, 2009. http://www.organicconsumers.org/articles/article_18372.cfm (23 March 2010)

Fairtrade and Rainforest Alliance: Main Differences

FAIRTRADE	RAINFORREST ALLIANCE (RA)
Ensures a guaranteed Fairtrade minimum price which is agreed with producers.	Does not offer producers minimum or guaranteed price, therefore leaving them vulnerable to market price variations.
Provides an additional Fairtrade premium which can be invested in projects that enhance social, economic and environmental development.	Sets no baseline premium.
Enables pre-financing for producers who require it.	Standards do not require importers to offer crop pre-financing.
Focuses on small peasant coffee farmer cooperatives.	Targets large and medium coffee plantations.
Products are completely certified.	A purchaser's product need only contain 30% certified content to be awarded the Rainforest Alliance label.
<p>Standard Setting Body: Fairtrade Labelling Organizations International (FLO).</p> <p>To ensure the transparency and the independence of the Fairtrade certification and labelling system, Fairtrade Labelling Organizations International was divided in January 2004 into two independent organizations:</p> <ul style="list-style-type: none"> • FLO International develops and reviews Fairtrade standards and assists producers in gaining and maintaining certification and in capitalizing on market opportunities on the Fairtrade market. To ensure the transparency of the system, the standards are developed and reviewed by the FLO Standards and Policy Committee, in which FLO members, producer organizations, traders and external experts participate; <p>FLO-CERT ensures that producers and traders comply with the FLO Fairtrade Standards and that producers invest the benefits received through Fairtrade in their development. Operating independently from any other interests, it follows the international ISO standards for certification bodies (ISO 65).</p>	<p>Standard Setting Body: Sustainable Agriculture Network (SAN).</p> <ul style="list-style-type: none"> • RA is the secretariat for the organization; • RA is the largest, best-funded and most influential member of the group; • SAN devolve certification to local environmental organizations: RA certification costs are often lower than other systems of certification and SAN members have social or economic relationships with the owners and workers on the farms seeking certification; • SAN members have the ability to adapt the certification criteria to suit local environmental, political, legal and traditional contexts.
Fairtrade has a 2% fee for the use of their labels. The fee goes directly back to producer community development projects, ensuring that conditions and opportunities for farm workers improve with every shipment and adding more value.	RA does not charge corporate purchasers for the use of their labels.

Main Worldwide Companies which have Rainforest Alliance Certification

- Chiquita
- Costa
- Gloria Jean's Coffees
- KLM Royal Dutch Airlines
- Kraft Foods and its brands:
 - Kenco (UK)
 - Jacques Vabre (France)
 - Gevalia (Sweden)
 - Jacobs (Germany)
- Lavazza
- Matthew Algie¹
- Mars Incorporated²
- McDonald's in Australia, New Zealand and UK
- Nestlé Nespresso³
- Unilever (PG tips, Lipton)⁴

¹ Matthew Algie is based in Glasgow. The company claims to be the UK's "leading independent coffee roaster", with clients including Glasgow City Council, the House of Commons and the Scottish Parliament. Its products are sold in Marks and Spencer, Sainsbury's and Pret a Manger among others.

² Mars Incorporated manufactures the Mars Bars which are typically deep-fried in Scotland. It has also signed a four-year sponsorship deal with the Scottish Football Association in 2010.

³ Nestle opened a factory in Girvan (in Carrick, South Ayrshire) in 1979.

⁴ Unilever UK Foods manufactures Scottish Blend, Scotland's second most popular brand of tea.