

MONITORING OUR IMPACT



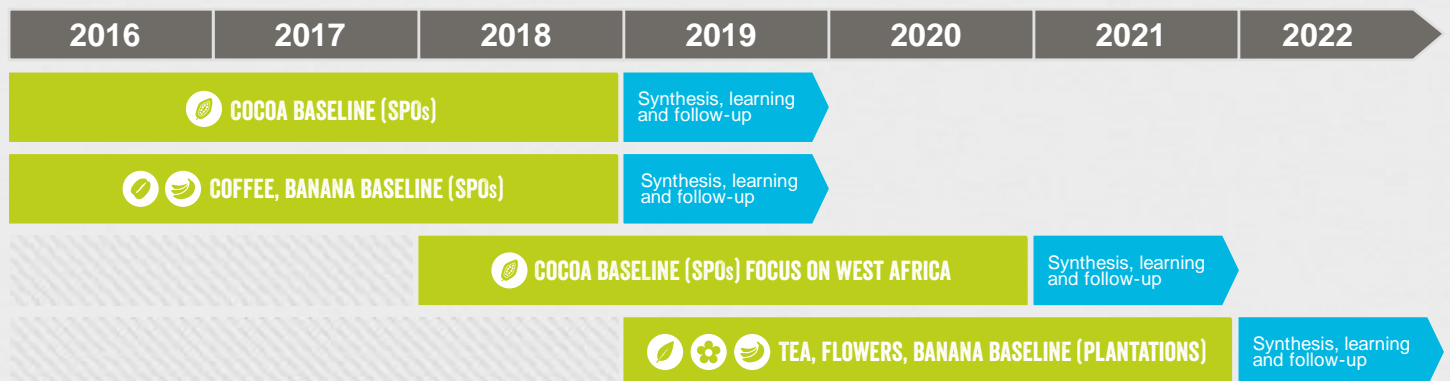
In 2016, Fairtrade launched a large-scale data collection effort (first baseline) to better measure change over time among Fairtrade certified small producer organizations (SPOs). By revisiting producer organizations and their farmers and workers we can closely monitor impact indicators and better understand how Fairtrade fosters sustainable livelihoods and empowers producers.

WHERE DID WE BEGIN IN 2016?



WHAT IS THE TIMELINE?

In 2016, we interviewed 11 SPOs in 4 countries. Each year we collect data from additional organizations in different countries and follow up with the same organizations in 3-4 year cycles.



Why these products? They are the biggest Fairtrade products in terms of volume and represent 87% of the Fairtrade farmers and workers.

HOW WERE THE DATA COLLECTED?

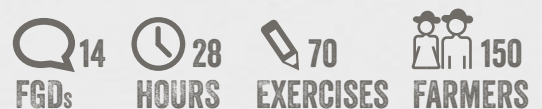
Talking to farmers individually (household survey)



Engaging with the management of small producer organizations (SPO survey)



Getting people together for participatory exercises (focus group discussions - FGDs)



WHAT DID WE LEARN FROM THE FIRST ROUND IN 2016?

1. DEMOCRATIC VALUES, CHILD RIGHTS AND GENDER EQUALITY



2. TRADING RELATIONS

Most organizations feel that commitment to trading relationships is largely positive for Fairtrade buyers and see benefits in terms of prices and premium. Yet, almost one third said that they didn't perceive much of a difference between Fairtrade and non-Fairtrade buyers in their ability to negotiate prices and contracts.

Are trading relations better with Fairtrade buyers versus non-Fairtrade buyers?



3. PERCEPTION OF FAIRTRADE BENEFITS

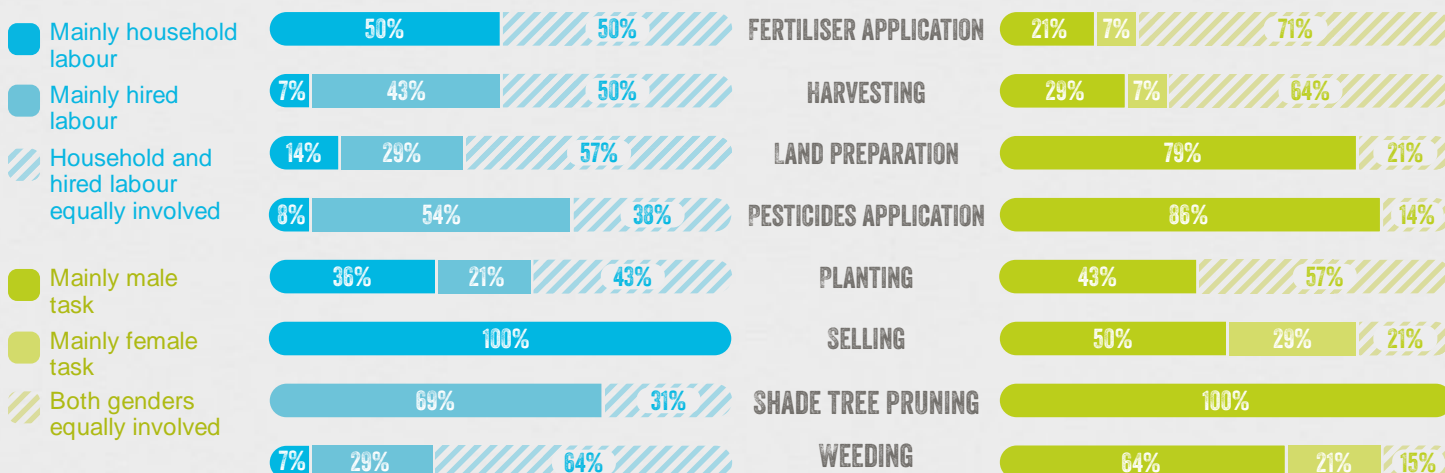
Most organizations (82%) feel that the benefits of Fairtrade outweigh the costs of certification, or that they are balanced.



4. HIRED LABOUR ON THE FARM

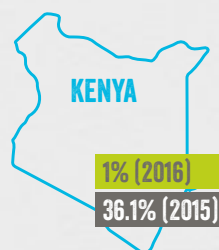
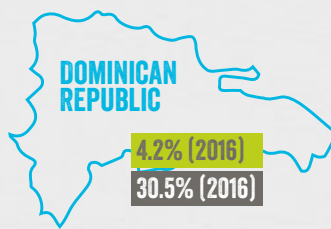
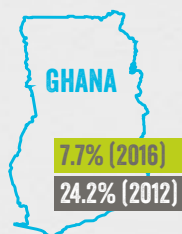
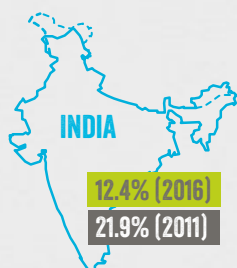


For coffee (Kenya and India) and cocoa (Ghana), workers are hired mainly for pruning and pesticides application as they need special skills. Household and hired labour are equally involved in weeding, planting and land preparation. Women are involved in less physically demanding tasks and receive slightly lower wages than men.



5. LIKELIHOOD OF POVERTY

Among the Fairtrade certified households that we interviewed, the extreme poverty rate is lower than that of the overall population. Challenges remain in enabling all households to move out of poverty, and can include a low percentage of sales on Fairtrade terms and factors such as household size.



■ Extreme poverty rates for Fairtrade sample (at US\$1.90/day)*
 ■ Poverty headcount ratio at national poverty lines (% of population)
 Source: World Bank (latest poverty data available for that country)

*Fairtrade follows the Poverty Probability Index (PPI) approach which looks at poverty from a holistic point of view for each country in terms of assets and expenditure of the households.