



FAIRTRADE
INTERNATIONAL

Fairtrade Banana Bonus

PART OF FAIRTRADE'S
LIVING WAGE SOLUTION



Why this solution is relevant

Low wages persist in the banana sector, and workers struggle to make a decent living. This situation can contribute to human rights violations and increased health and safety risks. Which pose significant risks for brands and retailers. Non-compliance with the Corporate Sustainability Due Diligence Directive (CSDDD) and other upcoming regulations could result in challenges, as well as increased scrutiny from civil society and consumers.

Many European retailers have signed national commitments for closing the living wage gap in their banana supply chains. The commitments require a practical solution for improving purchasing practices, including fair pricing and voluntary living wage payments.

Traders and retailers that source from Fairtrade certified plantations already contribute to improving wages by paying the Fairtrade Minimum Price and Premium (max 30% of the Fairtrade Premium can be paid in cash if a wage gap is found). However, recent studies and salary matrix outcomes confirm that in many countries there still is a gap between current wages and living wage benchmarks.

What we offer

Fairtrade has developed a practical, credible solution for voluntary living wage payments: the Fairtrade **Banana Bonus**. A significant part of the wage gap gets closed via the 30% cash from the Fairtrade Premium. The remaining gap can get closed with this bonus. The solution has the Living Wage Reference Prices (LWRP) and the Fairtrade Living Wage Differential (FLWD) at its core.

Fairtrade offers a five-step process for closing the remaining wage gap in a model with shared responsibility and responsible purchasing practices for the entire supply chain.

The approach includes a transparent and verified transfer of the voluntary payment from the retailer via the trader to the Fairtrade Premium Committee of the banana plantation. The Premium Committee allocates the funds, the 'Fairtrade Banana Bonus' as an additional bonus to eligible workers. FLOCERT verifies the payments as a paid service and on this basis, retailers may make appropriate claims.

How it works



What it takes to achieve Living Wages

To achieve impact in terms of a positive and lasting difference in wages for workers, a commitment of at least three years to specific producers is recommended as well as a meaningful volume commitment sourced under Fairtrade Living Wage Differential conditions.

A sustainable future

Join Fairtrade in creating a sustainable future for banana workers by joining our Living Wage Solution.

For detailed information on our sustainable banana supply chain offer and banana dashboard please visit our [dedicated webpage](#) or contact your local National Fairtrade Organisation.

