

Evaluation and baseline research with small producer organizations producing Fairtrade sugar: Belize country report



At-a-glance

Introduction

RMI Services Ltd. (RMI) and Overseas Development Institute (ODI) conducted research to measure the impact of Fairtrade certification and other Fairtrade interventions on sugar production by small-scale farmers in Belize. Using a multi-strategy research design, using both quantitative and qualitative data collection methods, the researchers employed Fairtrade's Theory of Change as a guiding framework to assess the extent to which these interventions contributed towards the anticipated outputs, outcomes and impacts in Belize. These were measured and observed across various themes including social, agronomic and environmental, and economic.

Highlights: Where Fairtrade support has played a role

- 1.** Social themes: organizational development, empowerment of farmers, gender equity, youth inclusion, health and safety and worked welfare, and community development.
- 2.** Agronomic and environmental themes: productivity and quality parameters, use of and access to inputs, and the adoption of good agricultural practices.
- 3.** Economic themes: Fairtrade production, Fairtrade sales price paid to farmers, Fairtrade Premium, and the impact Fairtrade has had on farmer profitability.

Knowledge about Fairtrade among farmers in Belize is extremely high, with **95%** of respondents saying that they have heard about Fairtrade.

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Fairtrade certified sugar producer organizations in Belize

4,746

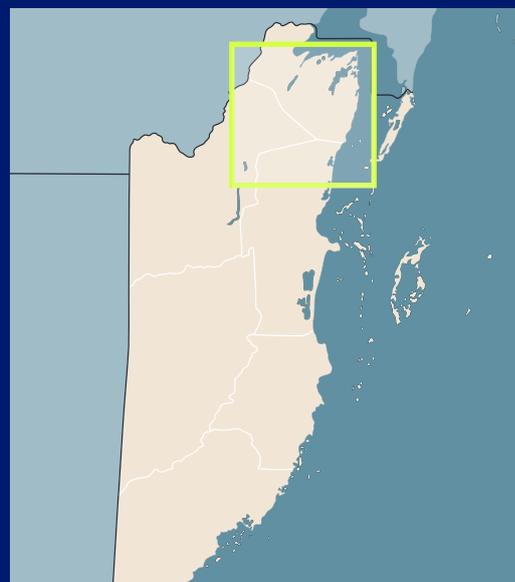
farmer members

123,205

metric tonnes of sugar produced in 2020

91%

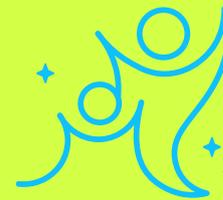
Around 91% of the sugar cane in Belize is produced by FT certified associations



Production region of Fairtrade sugar producers

Key findings

Social Themes



Organizational development of certified organizations

The arrival of Fairtrade meant that the three certified farmers' associations were required to ensure democratic structures and transparent administration; develop, agree on and administer the Fairtrade Premium plan; empower members, workers, and the community through development of potential and capacity building; promote the welfare of sugarcane producers; and increase cane and sugar production by promoting best practices in cane planting cultivation, harvesting, and delivery. Approximately 10 percent of the Fairtrade Premium was used for institutional strengthening of the farmers' associations.

Empowerment of farmers

In reference to farmers' participation within their associations, 77 percent attended association meetings and 81 percent attended branch meetings, with the majority being satisfied with how their opinions and concerns were heard within these meetings. Farmers widely felt empowered by the farmers' associations, with 57 percent acknowledging that their association helps them farm better. Many farmers also reported that their leaders were accountable to them and that they were able to contribute to the Fairtrade Premium investment.

Gender equality

At the household and production level, women farmers were mainly involved with administrative and management areas of production of sugarcane, although some women also worked in the field when necessary. Household income was managed differently within each household: some managed by men, and others by women. Women felt that they were generally included and appreciated, even before the arrival of Fairtrade.

However, this inclusion did not necessarily translate to the organizational level. Nearly all leadership positions in all three associations are held by men: only 8 percent of the leadership positions were filled by women at the associations, and 17 percent at the constituent branches.

Working conditions

Beyond the Fairtrade requirements, in the fields farmers and workers are given access to water and other beverages, and encouraged to drink regularly to avoid a chronic kidney disease specific to the region. Generally, farmers agree that their working conditions greatly or somewhat improved since the arrival of Fairtrade. This was also confirmed by FLOCERT audits which said that compliance with Standards in critical areas, such as the use of contracts and the regulation of working hours, is good.

Agronomic and Environmental Themes



Fairtrade conducted multiple trainings for farmers on how to effectively use Fairtrade Premium to support improved farming practices. The Fertilizer Support Program trained farmers on correct use of fertilizers as well as extended a subsidy program, although this was not taken up widely by farmers. The Herbicide Support Program was more successful as more than 95 percent of farmers reported increased understanding of how to use herbicides effectively and were ready to adopt the suggested herbicide changes in their daily practices.

Farmers were also successfully trained to adopt appropriate methods to store and dispose of any chemicals they use. In addition, a significant number of farmers received training in improved farming practices and environmental protection.

Economic Themes



Fairtrade production

While data on the exact annual harvest area for each farm are scarce, the total production of sugarcane has increased steadily since Fairtrade certification. On average, cane production increased by 17.3 percent since the introduction of Fairtrade compared to the nine years before Fairtrade certification. This increase is likely also attributable in part to agricultural improvement programmes offered by the Belize sugar mill and Sugar Research and Development Institute (SIRDI). However, capacity challenges at the mill limited full utilization of all sugarcane that was produced.

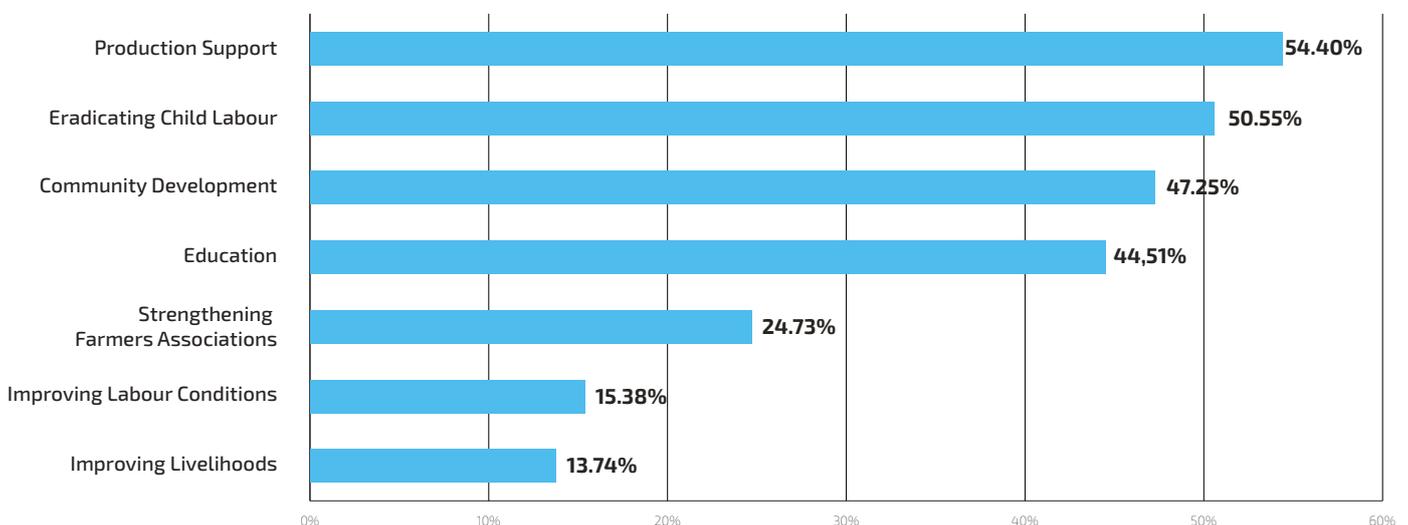
Impact of Fairtrade Premium

The Fairtrade Premium has played a critical role in limiting the impact of price fluctuations or turbulence within the industry by contributing to the farmers' direct survival through cash payments and through the supply of farm inputs, thereby reducing the overall cost of production. The majority of Fairtrade Premium funds were invested in direct farm inputs such as replanting, fertilizer, and pest control. Farmers had a high level of satisfaction with Premium projects. Farmers felt that the democratic nature of deciding how the Premium should be spent reduced the possibility of bias entering the decision-making process across all farmers' associations. This was reflected by 70 percent of farmers agreeing or strongly agreeing that their farmers' association took their needs into account when deciding on how to spend the Fairtrade Premium, and 53 percent reported being satisfied with how the Fairtrade Premium was used.

Prices paid to organizations and farmers

The price received by farmers is a function of the Division of Proceeds (DOP) formula widely used in the sugar industries around the world. This DOP ratio is set at 65 percent for the farmers and 35 percent for the mill in Belize. The proceeds for growing operations were found to be very inefficient, making the cost of producing a tonne of raw sugar high. Negotiations between the mill and farmers' associations were also contentious on the issue of how much the mill would pay farmers for bagasse (the sugarcane pulp remaining after processing, which can be used to produce electricity). The nature of the industry makes it difficult to allow Fairtrade to have a direct influence on the prices paid to farmers. However, Fairtrade activities and investment of Fairtrade Premium funds have had a demonstrable influence on several issues.

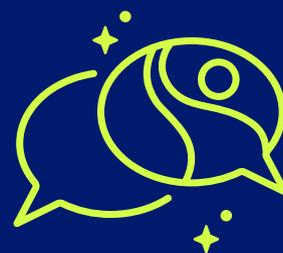
Farmers' perceptions of Fairtrade activities or support that have the most impact



Percentage of study respondents, when asked to identify top three most impactful Fairtrade activities

Research Methods

Qualitative data were collected by RMI consultants who visited the sites twice: once in January 2018 and again in June 2018. For the quantitative analysis, a total of 180 farmers associated with any of the three farmers' associations were surveyed. Focus group discussions were also conducted with 48 members of key interest groups, including women, youth, and a group of male farmers, to generate discussion and debate. The key issues discussed included division of labor, decision-making power within family farming structures, the power dynamics of decision-making and participation within farmers associations, perspectives on trends within the sugar industry, and the role of youth and importance of succession planning in securing the industry's future.



Fairtrade's Response

We welcome the findings of this study, particularly the strengths that the farmers' associations experienced in organizational development, farmers' empowerment, and working conditions. The value of Fairtrade Premium to the sugar farmers is evident from the importance they attach in monitoring it and planning for it.

However, the benefit of the Fairtrade Premium in balancing out price fluctuations is important for Fairtrade to consider. The experiences of farmers in a context of falling Fairtrade sales and limited room for price negotiation points to the need to continue to build markets for Fairtrade sugarcane, including other than as a food product.

Further progress on the issues of improved production and farming practices is also a priority for farmers' associations.

