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**Possibilities of direct import of Fair Trade products from
developing countries to the Czech Republic**

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2008

STATEMENT

By my signature I confirm that I have written this diploma thesis „ **Possibilitities of direct import of Fair Trade products from developing countries to the Czech Republic**“ on my own, and I have used resources appropriately cited in References.

.....
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Prague, 28 th of April 2008

PREFACE

To elaborate this thesis, information from literature, internet, annual reports and programs of FLO, IFAT and other Fair Trade organizations were used.

I am most grateful to Mr. Vladimír Krepl, doc. Ing. CSc. that I could write this diploma thesis. I would like to thank a lot to Jiří Hejkrlik, Ing. and Ecumenical Academy for their help in elaboration of this work.

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ABSTRACT

This thesis gives a summary of the basic principles of Fair Trade – not-for-profit trade with disadvantaged Third World producers in a socially and environmentally acceptable way. It summarizes information about its history, impacts gives an overview of the current situation in world, especially in Europe. It shows the ways in which free trade is unsustainable, as we can see on the international stage with regard to coffee, tea, cocoa, bananas, rice, sugar and other food and non-food products. It points out the possibilities and opportunities for this widespread concept in the Czech Republic.

ABSTRAKT

Práce shrnuje zásady konceptu Fair trade – sociálně a environmentálně přijatelného obchodu se znevýhodněnými výrobci z rozvojových zemí. Shrnuje informace o jeho historii, dopadech podává přehled o jeho současných podobách ve světě, hlavně tedy v Evropě. Ukazuje neudržitelnost současného volného obchodu na příkladech kávy, čaje, kaka, banánů, rýže, cukru a dalších potravinových i nepotravinových produktech. Poukazuje na možnosti a příležitosti pro tento rozšířený koncept v České republice.

Key words

Fair Trade, Marketing research, History of Fair Trade, Fair Trade impacts, Situation in world and in the Czech Republic, Products analysis, Marketing strategy

Klíčová slova

Fair Trade, Marketingový průzkum, Historie Fair Trade, Dopady Fair Trade, Situace ve světě a v České Republice, Analýza produktů, Marketingová strategie

Acronyms

AFTF	Asia Fair Trade Forum
COFTA	Co-operation for Fair Trade in Africa
EFTA	European Fair Trade Association
EU	European Union
FINE	an informal Association of the four main Fair Trade networks (Fairtrade Labelling Organizations International, International Fair Trade Association, Network of European Worldshops and European Fair Trade Association)
FLO	Fairtrade Labelling Organizations International
FT	Fair Trade
IFAT	International Fair Trade Association
IFAT LA	Association Latino Americana de Comercio Justo
ILO	International Labour Organization
KEFAT	Kenya Federation for Alternative Trade
NEWS!	Network of European World Shops
NGOs	Non-Governmental Organizations
UK	United Kingdom
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
U.S.	United States of America

CONTENT

1.	INTRODUCTION.....	9
2.	OBJECTIVES	11
3.	METHODOLOGY.....	12
4.	WHAT IS FAIR TRADE	16
4.1.	Definiton.....	16
4.2.	Basic principles.....	17
4.3.	The 10 Standards of Fair Trade	19
5.	IMPACTS OF FAIR TRADE	21
5.1.	Social impacts	21
5.2.	Ecological impacts	22
6.	HISTORY OF FAIR TRADE	24
6.1.	Beginnings of Fair Trade	24
6.2.	The sixties and seventies 20 th century	25
6.3.	Exotic crafts and food	27
6.4.	Awareness raising	28
6.5.	The eighties 20 th century Fair Trade Organizations and Fair Trade Labelling	29
7.	FAIR TRADE OVERVIEW	31
8.	PRODUCTS.....	35
8.1.	FOOD PRODUCTS	35
8.2.	NON-FOOD PRODUCTS.....	46
9.	FAIR TRADE IN THE CZECH REPUBLIC	49
10.	RESULTS	50
11.	DISCUSSION	60
12.	RECOMMENDATION	65
13.	CONCLUSION.....	68
14.	REFERENCES	69
15.	TABLES AND FIGURES	73
16.	MAPS	86
17.	APPENDICES	95

1. Introduction

Why Fair Trade?

Compared to their counterparts in wealthier countries, the Third world countries small producers have obvious disadvantages. Because of insufficient funds, information, and experience, the small producers depend on intermediates when selling their products. These intermediates purchase their products under very inconvenient conditions. Since they are necessary for this business, their position allows them to purchase the products for very low prices ⁽¹⁾.

Farmers do not have the possibility to either process or store their (perishable) products; they cannot even package it properly; this forces them to sell their goods immediately after harvesting, when the prices reach the bottom (Brown, 1993).

Larger plantation producers have the mentioned possibilities, and thus do not have to rely on intermediates. On the other hand, their employees work for very little money and in poor conditions ⁽¹⁾.

When it comes to manufactured products, business intermediates are enormously powerful in influencing the height of financial benefits of the workers. (Littrel and Dickson, 1999) ‘Without advice or leadership from the outside, these craftsmen may suddenly find themselves flooded with their own useless and unsuitably designed products that do not meet the international standards of quality or aesthetics’ (Littrel and Dickson, 1999.)

Meanwhile the hand-made manufacturing is becoming an important source of income for people who were, from some reason or other, forced to leave rural areas and settle in towns. Nevertheless, the domestic market cannot compete with mass production; the export possibilities are also highly limited.

Women (who form 70% of the world's poorest people) and children suffer from very unequal rights in the Third world countries (Fair Trade fair & sustainable trade symposium, 2003).

If we pass over in silence many of the aspects where this inequality can be seen, women have worse access to land, loans, or banking. They are given some jobs because of cultural prejudice; and even if they have the same experience and education, they earn less money. Women also spend a lot of their time taking care of their homes, which means they have less time to both look for a job and relax ('time poverty').

Concerning children, the International Labour Organization (ILO) reveals that there are about 250 million of children between 5 and 14 years of age, who are forced to work. 120 million of these work fulltime, 80 million work part-time under the most difficult conditions. Majority of these children work in agriculture; girls mostly work in households. Around 70% of these children carry out their work for free, for their families at home or small companies, both in rural and urban areas.'⁽²⁾.

In my diploma thesis „**Possibilities of direct import of Fair Trade products from developing countries to the Czech Republic**“ I am focusing principally on the problematic of Fair Trade concept as a not for profit and socio-environmental type of trade. What the Fair Trade actually is, what advantages for smallholders in the developing countries brings.

In many countries this well known and popular concept of trade is trying to find its place also in the Czech Republic.

In the Chapter What is Fair Trade I am writing about this concept, basic principles and goals.

In the chapter Impacts of Fair Trade showing two main impacts –social and environmental.

The chapter History is a short overview how Fair Trade grew, from modest beginnings to today's form of trade.

In the chapter Fair Trade overview I am showing the situation of this trade in other countries, the rising level of public interest in fair trade products.

The main part of this thesis is marketing research which shows the current situation of public interest about Fair Trade concept in the Czech Republic.

2. Objectives

The main objective of this study is marketing research of the knowledge of Fair Trade concept. This study has focused the demand and opinions of consumers on the Czech market and screened already established markets in other countries, especially in Europe.

The specific objectives

- ▶ ***Mapping current situation of the knowledge of Fair Trade in the Czech Republic***
- ▶ ***SWOT analysis***
- ▶ ***Marketing strategy***

3. Methodology

Literature Research and Marketing Research were used in elaboration of this thesis, processing a problematic of Fair Trade.

Marketing research

"Marketing research is a function that links the consumer, customer, and public to the marketer through information - information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process. Marketing research specifies the information required to address these issues, designs the methods for collecting information, manages and implements the data collection process, analyzes, and communicates the findings and their implications." ⁽³⁾.

Marketing research is a long term activity that systematically designs, collects, analyses, and reports data and findings relevant to a specific marketing situation.

The main methods used in the thesis were:

- **Quantitative analysis**

 - **Personal interviews**

 - **SWOT analysis**

For data collection, method of standardized questionnaires (Appendix 1) was used. In my thesis, two types of questionnaires were used (electronic and printable version). The first type of questionnaire was designed for internet users who had a possibility of internet access and computers. The second type of questionnaire (printable version for personal interviews) was designed for target group of people who were shopping or

visiting places where Fair Trade products were sold (restaurants, shops, pharmacy etc.). However, content of the two questionnaires was identical.

Questionnaires

E-Questionnaire:

This questionnaire was created for internet users.

Due to the fact that Fair Trade products are mainly offered through e-shops, I decided to use electronic questionnaire for this research. Actually, E-business is an up-to-date subject for many businesses all over the world. On the internet there are many companies, which offer possibilities to create your ideal questionnaire according to yours priorities, or you can buy a license and create your own questionnaire. When the amount of time that a lot of people spend on the internet is taken into account, sending electronic form of questionnaire is very useful and comfortable for researchers.

This e-marketing survey was supported by a commercial company (www.easyresearch.biz) that provides technological support for easy creation and distribution of on-line questionnaires and enables to receive generated results which are immediately available. The only restriction in proper use of this platform is the condition that the research is not carried out for commercial purposes. This platform offers to get up to one hundred responds for free. When this number of answers is collected, the electronic system processes the source answers from all the questionnaires. The licence is designed for one month.

Printable version for personal interviews:

For this part, the same questionnaire as for e-research was used.

Personal interview has a lot of advantages, for example high rate of feedback, representativeness of survey, and possibility to ask respondents questions on difficult topics. Interviewer can also receive information by observation. Personal interview is managed as a conversation between interviewer and interviewee (respondent). When considering different forms of interview, we can choose certain types of discussion forms. For this survey, I decided for standardized interview.

I posed the questions in exact order for all interviewees (respondents) according to in advance prepared questionnaire. All the answers were filled in by me.

Design of questionnaires

The electronic questionnaire as well as printed questionnaires for consumers were divided into 4 parts:

- Basic information about Fair Trade.
- Opening questions about the knowledge of Fair Trade concept.
- Questions focused on customer's needs in order to enable better access to Fair Trade goods.
- Demographic data.

At the beginning of the questionnaire there was short introduction of Fair Trade. The questionnaire consisted of 10 basic questions that should screen basic knowledge and attitudes of the respondents and 6 questions on demographic data. All questions used in the questionnaire were closed and respondents have one, or multiple choice of answers. In the survey, respondents were tested on their knowledge of the Fair Trade concept and Fair Trade products, and also, they were meant to express their opinions about their needs in order to enable better access to Fair Trade goods.

Details of the Survey

Fair Trade Market Research was a survey conducted 212 interviewees. One part of the questionnaires was in the printed form. The printed survey was undertaken from December 2007 to April 2008 and was targeted to selected respondents in restaurants, cafés, tea rooms, pharmacies, organic shops or specialized shops with health food, mainly in Prague and also in other cities in the Czech Republic. The second part of survey took place during February 2007 and March 2008 and was for consumers using an electronic internet-based survey platform. Both - printable and electronic - versions of questionnaires were designed for Czech respondents in the Czech language and were spread of responses across all age groups. The e-questionnaire was answered by 100

people, 61 women and 39 men. The personal interview was answered by 112 people, 79 women and 33 men.

This part of market survey aimed 238 people but only 212 questionnaires were completed successfully. From the whole number of respondents there were 34 % of men and 66 % of women.

Data processing

Data collecting by the method of Quantitative analysis were processed by the research company easyresearch. Statistical method summarized and described a collection of data. Descriptive statistics was used to summarize the data gathered from the qualitative method. Graphical summarizations include various kinds of charts and graphs.

SWOT analysis

The SWOT analysis is an extremely useful tool for understanding and decision-making for all sorts of situations in business and organizations.

SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats.

It provides information that is helpful in matching the firms resources and capabilities to the competitive environment in which it operates. The SWOT analysis headings provide a good framework for reviewing strategy, position and direction of a company or business proposition. The basic findings about Fair Trade marketing were written for the purpose of the thesis and were summarized in the *Results* chapter.

4. What is Fair Trade?

“Fair trade is an example of development occurring through trading relationships and improved commercial opportunities to bridge the gap between developed and developing countries and to facilitate the better integration of developing countries in the world economy. Fair trade initiatives give consumers the opportunity to contribute towards sustainable economic and social development in developing countries through their purchasing preferences” (Communication, 1999).

4.1 Definition:

Currently the most widely recognized definition of Fair Trade was created by FINE, an informal Association of the four main Fair Trade networks (Fairtrade Labelling Organizations International, International Fair Trade Association, Network of European Worldshops and European Fair Trade Association):

“Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers - especially in the South. Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade”(EFTA, 2006).

Fair trade proponents include a wide array of international religious, development aid, social and environmental organizations such as Oxfam, Amnesty International, and Caritas International.

Fairtrade is aimed at benefiting those who find it difficult to sell into the international market and to trade responsibly and profitably when they do. Fairtrade brings benefits such as access to the market, with increased sales and increased income as well as advice and support. Producers are expected to use these benefits to increase their organisations' ability to trade responsibly and to respect and improve the lives of

those who work with them, the communities in which they work and the environment. The benefits are also to be used by any workers employed to improve their living and working conditions and those of their communities ⁽⁴⁾

The essence of Fair Trade

Fair Trade's strategic intent is:

- deliberately to work with marginalised producers and workers in order to help them move from a position of vulnerability to security and economic self-sufficiency
- to empower producers and workers as stakeholders in their own organisations
- actively to play a wider role in the global arena to achieve greater equity in international trade. ⁽⁵⁾

4.2 Basic principles

The basic principles and strategic intent which the members of the FINE group endorse from the basis of their work and underpin the criteria/standards used for monitoring by the different networks.

The first principle describes Fair Trade organisations and distinguishes these organisations from other commercial organisations that are involved in Fair Trade through the purchase of products labelled under the FLO certification system.

The networks in membership of FINE ensure that their individual criteria/standards reflect the principles below :

1) Fair Trade organisations

Fair trade organisations have a clear commitment to Fair Trade as principle core of their mission.

Over and above their operational Fair Trade activities they differentiate themselves by:

- Providing financial, technical and organisational support to producers
- Awareness raising in North and South
- Campaigning for changes in the rules and practice of conventional international trade.(see Table 1 and 2)

2) Trading partnership

To see trade as a mutual beneficial partnership based on dialogue, transparency and respect:

- Treating each other with respect, taking different cultures and roles into consideration
- Being transparent and accountable in the presentation of the organisation, its finance and its structure as required by law or as required by Fair Trade agreements
- Providing information to facilitate market access
- Having an open and constructive communication
- In case of conflicts using dialogue and arbitration to overcome the problems

3) Fair Trade's better trading conditions

To improve trading conditions by

- Paying a fair price in the regional or local context. (A fair price should not only cover cost of production but also make socially just and environmentally sound production possible)
- Helping with access to pre-harvest/pre-production financing
(e.g. advance payments on request) to avoid producer organisations falling into debt.
- Conditions of trade must support commercial continuity and longer term commitment.

4) Securing producers' and workers' rights

To secure and improve upon producers and workers rights, making a commitment to:

- Providing fair remuneration
(which is not only the legal minimum wage but a living wage)
- Providing a socially responsible, safe and healthy workplace
- Complying with national laws PLUS maintaining conditions which safeguard the Human Rights of producers and workers as defined by the United Nations
- ensuring that the core labour standards as defined by the ILO
(International Labour Organisation) are implemented.

5) Process of sustainable development

To promote long term improvements in the economic and social opportunities of small producers and wageworkers and in the environmental practises of their organisations through:

- Strengthening small producers' organisations
- Strengthening the ownership and the participation in decision-making of producers and workers
- Providing support for training, capacity building and human resource development, especially of women
- Actively encouraging better environmental practises and the application of responsible methods of production (FINE, 2001).

4.3 The 10 Standards of Fair Trade

IFAT prescribes 10 standards that Fair Trade organizations must follow in their day-to-day work and carries out continuous monitoring to ensure these standards are upheld:

- ***Creating opportunities for economically disadvantaged producers***

Fair Trade is a strategy for poverty alleviation and sustainable development. Its purpose is to create opportunities for producers who have been economically disadvantaged or marginalized by the conventional trading system.

- ***Transparency and accountability***

Fair Trade involves transparent management and commercial relations to deal fairly and respectfully with trading partners.

- ***Capacity building***

Fair Trade is a means to develop producers' independence. Fair Trade relationships provide continuity, during which producers and their marketing organizations can improve their management skills and their access to new markets.

- ***Promoting Fair Trade***

Fair Trade Organizations raise awareness of Fair Trade and the possibility of greater justice in world trade. They provide their customers with information about the organization, the products, and in what conditions they are made. They use honest advertising and marketing techniques and aim for the highest standards in product quality and packing.

- ***Payment of a fair price***

A fair price in the regional or local context is one that has been agreed through dialogue and participation. It covers not only the costs of production but enables production which is socially just and environmentally sound. It provides fair pay to the producers and takes into account the principle of equal pay for equal work by women and men. Fair Traders ensure prompt payment to their partners and, whenever possible, help producers with access to pre-harvest or pre-production financing.

- ***Gender Equity***

Fair Trade means that women's work is properly valued and rewarded. Women are always paid for their contribution to the production process and are empowered in their organizations.

- ***Working conditions***

Fair Trade means a safe and healthy working environment for producers. The participation of children (if any) does not adversely affect their well-being, security, educational requirements and need for play and conforms to the UN Convention on the Rights of the Child as well as the law and norms in the local context.

- ***Child Labour***

Fair Trade Organizations respect the UN Convention on the Rights of the Child, as well as local laws and social norms in order to ensure that the participation of children in production processes of fairly traded articles (if any) does not adversely affect their well-being, security, educational requirements and need for play. Organizations working directly with informally organised producers disclose the involvement of children in production.

- ***The environment***

Fair Trade actively encourages better environmental practices and the application of responsible methods of production.

- ***Trade Relations***

Fair Trade Organizations trade with concern for the social, economic and environmental well-being of marginalized small producers and do not maximise profit at their expense. They maintain long-term relationships based on solidarity, trust and mutual respect that

contribute to the promotion and growth of Fair Trade. Whenever possible producers are assisted with access to pre-harvest or pre-production advance payment. ⁽⁶⁾

5. Impacts of Fair Trade

5.1 Social Impacts

Fair trade departed from the assumption that markets were far from the neo-classic ideal of perfect competition. Instead market mechanisms were believed to unfairly exclude some producers – such as smallholders in the developing world – from full and fair market participation (Mayoux, 2001).

The reasons why these producers were deemed to be disadvantaged were multiple. Many smallholders, for example, had no possibility to obtain production skills, market savvy, and access to financing, which would have allowed them to compete on the world market. More importantly, existing power relationships (a multitude of small and local producers facing few multinational buyers) disfavoured producers.

Market data supported these arguments:

"20 years ago the world coffee market was worth \$30 billion, of which the producers received \$12 billion (40%). Now it is worth \$50 billion of which producer receive only \$8 billion (16%). The main reason for this deepening inequality has been the decline in primary coffee prices. In the past year world coffee prices fell to their lowest point for 30 years. Throughout 2000/2001 they never exceeded the Fairtrade minimum. This has left many coffee farmers in destitution, while the profits of the major brands continue to expand."(Twin Trading, 2001)

There were three ways through which fair trade purported to generate positive social impacts (Barr, 2002):

- Firstly, through minimum prices and premiums fair trade interventions increased the income of the concerned smallholders. Twin Trading reported that in 2000/2001 purchasing prices were on average 2 to 3 times the level of those on the world market, paying out £1.24 million in price premium support (Twin Trading, 2001).

"The producers decide collectively how the premium should be used. It is either distributed as an extra payment to farmers or used collectively as investments in their business or community. In Peru they decided collectively that they wanted a truck. Before the truck, they were carrying the sacks of coffee on their backs to the collection point, which took about eight hours. In Africa they repaired a bridge and built a maternity near the tea factory." (Newman, 2002b)

- Secondly, fair trade provided pre-financing through low interest loans, which helped smallholders to fund farm-level purchasing. In 2000/2001 Twin reported loans of L1.5 million (Twin Trading, 2001). These loans covered about 60% of every contract thus providing working capital to the smallholders to buy plants, fertiliser, and other necessary equipment, thereby keeping them out of debt (Newman, 2002b).
- Thirdly, by educating smallholders fair trade contributed to their empowerment. Towards this end Twin earmarked 10% of its gross profit for developing tailor-made business programs to help producers build and grow their competencies and their communities (Newman, 2002b). The producer support activities of Oxfam, Twin Trading or Traidcraft provided organisational, technical, and market support to smallholder producer organizations with the motivation to strengthen their trading and management capabilities (Newman, 2002a).

The actual social benefits of fair trade were difficult to quantify. However, practical experience seemed to suggest that although the financial per capita benefits from fair trade were often quite low (Bretman, 2002), inclusion in a fair trade programme could mean the difference between mere survival and the beginning of a development process that might eventually lead to the production of higher quality products particularly when world market prices dropped (Tallontire, 2001a).

5.2 Ecological Impacts

In their review of the social benefits of environmentally-driven trade (Robins et al. (1997) pointed out that organic products were not automatically benefiting smallholder

producers in the south. Nor was it necessarily the other way around (Equal Exchange, 2002a).

Yet, although its primary concern was the improvement of social conditions among smallholders, fair trade nonetheless often increased the eco-efficiency of coffee production.

With organic certification the poor background of many smallholders came in as an asset: "In Peru our producers are totally organic. They've never had the money for fertilisers so they've been growing organic coffee all their lives" (Newman, 2002b). This lucky coincidence led to a situation in which Twin Trading bought a quarter of its coffee from organic sources (Twin Trading, 2001). However, there were limits as to how far fair trade could become organic. "The organic certification is expensive. It usually takes two to three years before you can get certified as well. And what happens to the farm during that time?" (Newman, 2002b)

From the consumer perspective, though, there was an increasing pressure towards convergence of labels and systems that would make shopping easier. "The people who are concerned about fair trade tend to be concerned about the environment too" (Bretman, 2002).

6. History of Fair Trade

6.1 Beginnings of Fair Trade

It all started in the United States, where the Mennonites began selling goods from poor regions through their church network in the 1940s. Over time this operation grew in size and is today operating under the name of Ten Thousand Villages (formerly Self Help Crafts). The first formal “Fair Trade” shop which sold these and other items opened in 1958 in the USA. (Kunz, 1999)

Yet, although fair trade was invented in the U.S. it has been most successful in Europe. The first occurrences of fair trade were little more than extensions of traditional charity. Goods came from people with whom the charities were already involved anyway through other development projects (Tallontire, 2001b). The earliest traces of Fair Trade in Europe date from the late 1950s when Leslie Kirkley, the then director of Oxfam, was visiting Hong Kong where Oxfam was funding development projects to help Chinese refugees from the mainland and they were started to sell crafts made by Chinese refugees through Oxfam’s stores (Wills, 2002).

Soon Oxfam began systematically to import and market handicrafts from the South through its extensive network of shops (Oxfam, 2002).

The first occurrences of fair trade were little more than extensions of traditional charity. Goods came from people with whom the charities were already involved anyway through other development projects (Tallontire, 2001b). The traded goods from the developing world (often handicraft of no particular value) had the same function as a ribbon that the donor could pin to the lapel. They were signalling that a donation had been given, but often they had only a small functional value. In reality this activity was charity masquerading as trade. (Tallontire, 2001b) calls this early form of fair trade goodwill trade. According to its main actors it might be more precise to talk of charity trade.

While fair trade started to take roots in the UK, other European countries were going in similar directions.

At the same time, the Netherlands the development organisation Steun Onderontwikkelde Streken (SOS) had been established in 1959 as a charity (Fairtrade, 2002), and began to sell cane sugar with the message “by buying cane sugar you give people in poor countries a place in the sun of prosperity”. These groups went on to sell handicrafts from the South, and in 1969 the first “Third World Shop” opened. World Shops, or Fair Trade shops as they are called in other parts in the world, have played (and still play) a crucial role in the Fair Trade movement. They constitute not only points of sales but are also very active in campaigning and awareness-raising

While in Germany the development movement "Aktion Dritte Welt Handel" had been founded in 1970 as an outgrowth of several Christian youth groups (NRW Kirchenarchiv, 2002).

Fair trade in coffee started as early as the 1970s. With the invention of freeze-dried granulate coffee the older version of powdered coffee gradually fell out favour. In response to this an UK aid scheme decided to donate the old machinery for making powdered coffee to a group of coffee-producing smallholders in Tanzania. The resulting product, called Africafé, was probably the first fair trade coffee in the world, which even today can still be found in some World shops (Wills, 2002, interview).

6.2 The sixties and seventies 20th century

In 1964 it created the first Fair Trade Organization. Parallel initiatives were taking place in the Netherlands and in 1967 the importing organization, Fair Trade Original, was established.

During the 1960s and 1970s, Non-Governmental Organizations (NGOs) and socially motivated individuals in many countries in Asia, Africa and Latin America perceived the need for fair marketing organizations which would provide advice, assistance and support to disadvantaged producers. Many such Southern Fair Trade Organizations were established, and links were made with the new organizations in the North. These relationships were based on partnership, dialogue, transparency and respect. The goal was greater equity in international trade.

Parallel to this citizens' movement, the developing countries were addressing international political fora such as the second UNCTAD conference (United Nations Conference on Trade and Development) in Delhi in 1968, to communicate the message "Trade not Aid". This approach put the emphasis on the establishment of equitable trade relations with the South, instead of seeing the North appropriate all the benefits and only returning a small part of these benefits in the form of development aid. ⁽⁷⁾

The growth of Fair Trade (or alternative trade as it was called in the early days) from the late 60s onwards has been associated primarily with development trade. It grew as a response to poverty and sometimes disaster in the South and focused on the marketing of craft products. Its founders were often the large development and sometimes religious agencies in European countries. These NGOs, working with their counterparts in countries in the South, assisted to establish Southern Fair Trade Organizations that organize producers and production, provide social services to producers, and export to the North. Alongside the development trade there was also a branch of solidarity trade. Organizations were set up to import goods from progressive countries in the South that were both politically and economically marginalised. ⁽⁸⁾

From the mid 70s, Fair Trade Organizations worldwide began to meet informally in conferences every couple of years. By the mid 80s there was a desire to come together more formally and the end of the decade saw the foundation of EFTA (the European Fair Trade Association, an association of the 11 largest importing organisations in Europe) in 1987 and IFAT (the International Fair Trade Association, a growing global network of Fair Trade Organizations in 70 countries, aiming to improve the livelihoods of disadvantaged people through trade and providing a forum for the exchange of information and ideas) in 1989. The organizations that are a part of IFAT vary greatly. They represent the whole chain from producer to sale and also include support organizations such as Shared Interest, which provides financial services and support to producers. ⁽⁹⁾

Networking between Fair Trade Organizations is crucial to their success. All over the world, networks have been established. Regional networks include the Asia Fair Trade Forum (AFTF), Co-operation for Fair Trade in Africa (COFTA), the Association Latino Americana de Comercio Justo (IFAT LA) and IFAT Europe. National networks include Ecota Fair Trade Forum in Bangladesh, Fair Trade Group Nepal, Associated

Partners for Fairer Trade Philippines, Fair Trade Forum India, Kenya Federation for Alternative Trade (KEFAT), etc.

FLO, IFAT, NEWS! and EFTA started to meet in 1998 and, when they work together, are known by their acronym, FINE. The aim of FINE is to enable these networks and their members to cooperate on important areas of work, such as advocacy and campaigning, standards and monitoring of Fair Trade.

6.3 Exotic crafts and food

In the beginning, Fair Trade Organizations traded mostly with handcrafts producers, mainly because of their contacts with missionaries. Often, crafts provide “supplementary income” to families; they are of crucial importance to households headed by women who have limited employment opportunities. Most Northern Fair Trade Organizations focused on buying these crafts and sold them through World Shops. The market for crafts through these World shops was wide open and for many Fair Trade Organizations sales grew and grew.(Redfern et al., 2002).

In 1973, Fair Trade Original in the Netherlands, imported the first “fairly traded” coffee from cooperatives of small farmers in Guatemala. Now, more than 30 years later, Fair coffee has become a concept. Meanwhile hundreds of thousands of coffee farmers have benefited from Fair Trade in coffee. And in Europe more and more consumers drink fair coffee. Right now between 25 to 50 % of turnover of Northern Fair Trade Organizations comes from this product. ⁽¹⁰⁾

After coffee, the food range was expanded and it now includes products like tea, cocoa, sugar, wine, fruit juices, nuts, spices, rice, etc. Food products enable Fair Trade Organizations to open new markets, such as institutional markets, supermarkets and bio shops. In addition to these food products, other non food products such as flowers and cotton have been added to the Fair Trade assortment.

6.4 Awareness raising

From the beginning, the Fair Trade movement aimed to raise awareness among consumers of the problems caused by conventional trade, and to introduce changes to its rules. The sale of products always went alongside with information on the production, producers and their conditions of living. It has become the role of World / Fair Trade Shops to mobilise consumers to participate in campaigning activities for more global justice.

The first European World Shops conference took place in 1984. This conference set the beginning of close cooperation between volunteers working in World Shops from all over Europe. The Network of European World Shops (NEWS!) was formally established in 1994 and now represents approximately 3.000 World Shops in close to 20 European countries. NEWS! coordinates European campaigning activities and stimulates the exchange of information and experiences about development of sales and awareness raising work.⁽¹¹⁾

In 1996, NEWS! established the European World Shops Day as a Europe-wide day of campaigning on a particular issue, often with a goal at the European level. This initiative has been taken up by IFAT, which brought it to a worldwide level. The first World Fair Trade Day, which involves the worldwide Fair Trade movement, was celebrated on May 4, 2002. Now World Fair Trade Day takes place every year on the second Saturday of May.⁽¹²⁾

In the course of the years, the Fair Trade movement has become more professional in its awareness-raising and advocacy work. It produces well-researched documents, attractive campaign materials and public events. It has also benefited from the establishment of European structures that help to harmonize and centralise its campaigning and advocacy work. An important tool was the establishment of the FINE Advocacy Office in Brussels, which focuses on influencing the (European) policy-makers. It is supported, managed and funded by the whole movement, represented in FLO, IFAT, NEWS and EFTA – hence its acronym FINE.

Fair Trade and Fair Trade Organizations have been recognised repeatedly by European Institutions as well as national and regional governments for its contribution to poverty reduction, sustainable development and consumer awareness-raising. The European Parliament passed several resolutions on Fair Trade (in 1994, 1998 and 2006) and many European ministers and prime ministers have publicly endorsed Fair Trade. Ever more public institutions are serving Fair Trade products and local authorities include fair and sustainable criteria in their public tenders. Thousands of towns, universities and churches have applied for Fair Trade status, committing to promote Fair Trade and to contribute to overcoming poverty and exclusion. Increasingly, representatives from developing countries promote Fair Trade because it enables small and marginalized producers in their countries to live and work in dignity. Fair Trade is increasingly on the agenda of policy makers throughout the world.⁽¹³⁾

6.5 The eighties 20th century Fair Trade Organizations and Fair Trade labelling

In the first decades Fair Trade products were sold mainly by Fair Trade Organizations that had Fair Trade as the central ethos guiding their activities. In the seventies and eighties, Fair Trade products were sold to consumers mainly in world shops or Fair Trade shops.

In the second half of the 1980s, a new way of reaching the broad public was developed. A priest working with smallholder coffee farmers in Mexico and a collaborator of a Dutch church-based NGO conceived the idea of a Fair Trade label. Coffee bought, traded and sold respecting Fair Trade conditions would qualify for a label that would make it stand out among ordinary coffee on store shelves, and would allow not only Fair Trade Organizations, but any company to sell Fair Trade products. In 1988, the “Max Havelaar” label was established in The Netherlands. The concept caught on: within a year, coffee with the label had a market share of almost three percent.

In the following years, similar non-profit Fair Trade labelling organizations were set up in other European countries and in North America. In 1997 their worldwide association, Fairtrade Labelling International (FLO), was created. Today, FLO is responsible for

setting international standards for Fair Trade products, certifying production and auditing trade according to these standards and for the labelling of products. The range of labelled products now counts almost twenty and is expanding. Fair Trade labelling has helped Fair Trade to go into mainstream business. Currently, over two-thirds of Fair Trade products, are sold by mainstream catering and retailing.⁽¹³⁾

Parallel to the development of labelling for products, the International Fair Trade Association (IFAT) developed a monitoring system for Fair Trade Organizations. In order to strengthen the credibility of these organizations towards political decision-makers, mainstream business and consumers, the IFAT Fair Trade Organization Mark was launched in January 2004. The FTO Mark is available to member organizations that meet the requirements of the IFAT monitoring system and identifies them as registered Fair Trade Organizations. IFAT is working with FLO on a Quality Management System for Fair Trade and on finding a way to provide an “on product” Mark for handcrafts of all kinds.⁽¹⁴⁾

7. Fair Trade overview

An EUROBAROMETER survey, conducted on behalf of the Commission in 1997 gave an indication of the level of public interest in fair trade products. Overall, 11% of the EU population have already bought fair trade goods, with the proportion varying widely throughout the different Member States, from only 3% in Portugal and Greece, up to 49% in the Netherlands.

The survey also revealed that almost three quarters (74%) of the EU population say they would buy fair trade bananas if they were available in the shops alongside “standard” bananas. A total of 37% of EU consumers said they would be prepared to pay a premium of 10% above the price of normal bananas for bananas of equivalent quality produced according to fair trade standards.

Further analysis of the survey replies revealed that people with previous experience of fair trade products are much more likely to buy fair trade bananas, and would be willing to pay more for them. More than 9 out of 10 (93%) of consumers who had already bought fair trade goods would be prepared to buy fair trade bananas, and 7 out of 10 (70%) would pay a premium of at least 10% over the price of normal bananas (Communication, 1999)

Today according to C.Hines, the volume of Fair trade is around 0,03 % of the world export. (Hines, 2000a)

But according to EFTA the number is around 0,01% of the world export which is most probable. (Mainstreaming Fairtrade Labelling 2002)

It is clear that FT directly influences the lives of ca 800,000 involved manufacturers and their families, which means that it influences about 5 million lives of people from the Third world countries.

Fair trade is first of all business of the western societies, the total Fair trade sales consist of 70 % of European sales, where Fair trade products can be bought in more than 79,000 points of sales, of which 2,800 are specialized Fair Trade shops stocking almost

exclusively Fair trade products and Fair trade labelled products can be bought in about 55,000 supermarkets all over Europe. (see Map 1). The remaining 30 % are shared by the USA, Canada, Australia, New Zealand and Japan (Fair Trade in Europe, 2005).

FT conditions vary significantly from country to country. According to the length of public awareness of the concept and its significance, FT development of individual countries can be divided as follows:

The most developed countries, showing future trends	Netherlands, Switzerland
Well developed countries with long Fair Trade tradition and public awareness	Belgium, Luxembourg, United Kingdom, Sweden, Denmark, Germany, Austria
Medium-developed, and currently fast developing	Italy, Finland, Ireland, Norway, France, USA, Canada, Japan
Less developed countries, with great potential and strong current development	Spain, Portugal, Australia, New Zealand
Little developed, in their beginnings	Greece, Czech republic and other post-communist european countries

The five biggest Fair trade importers in the year 2004:

1. gepa Germany) 39,7 million EUR
 2. Ctm Altromercato (Italy) 34,3 million EUR
 3. Cafédirect (United Kingdom) 25,2 million EUR
 4. Fair Trade Organisatie (Netherlands) 20,7 million EUR
 5. Traidcraft (United Kingdom) 20,6 million EUR
- (Fair Trade in Europe, 2005) (see Map 2)

A considerable amount of Worldshop customers are not only interested in purchasing attractive, ethical products but rather they perceive the Worldshop as a point of communication and networking from where they can get involved in different campaigns. In some countries, like Belgium or Italy, this dimension is essential to the identity of the Worldshops. It is therefore important that the Worldshops maintain the political role that they play, as well as operating as a business. The development of new campaigns at European or worldwide level is therefore of great importance. (Fair Trade in Europe, 2005) (see Map 3 and 4).

In addition to this commercial activity, there has been increasing political activity within the European Union on the subject of fair trade in recent years. In January 1994 the European Parliament adopted a resolution on “promoting fairness and solidarity in North-South trade”¹ calling for EC level initiatives to support fair trade, dedicated funding and the inclusion of fair trade in Community development and co-operation policy. (Communication, 1999)

The Netherlands’ government freed all Fair Trade investments from taxes.
In Switzerland and most of Italy, supermarket chains sell Fair Trade coffee.

Institutions such as many European parliaments, ministries of environment, the World Bank or Volkswagen group serve Fair trade coffee in their buildings. (Mainstreaming Fairtrade Labelling 2002)

The annual aggregate net retail value of Fair trade products sold in Europe now exceeds € 660 millions in the year 2005. This is considerably over double the figure five years ago, when it was estimated to be about € 260 millions. The increase of 154% over 5 years represents a sustained average annual increase of about 20% per year. (Fair Trade in Europe, 2005). (see Map 5).

About 69 % of Fair trade products in Europe consist of food products, half of which is for coffee (2 % of the total volume of coffee sold in countries of European union. Communication, 1999)

The range of goods and volume of sales grow constantly.

Around 27 % of Fair Trade products is created by other consumer goods. The remaining 4 % represent literature, promotional materials, and goods from domestic handicapped producers (Krier 2001).

The following products are currently certified (i.e. they meet given standards and carry FLO sign):

Coffee, tea, cocoa, chocolate, sugar, bananas, pineapple, rice, mango, juices, dried fruits, nuts and oilseeds, honey, flowers, wine, cotton, spices and herbs, sports balls and some composite food products as cookies, müsli bars etc.

Standards for wine, oil, citrus fruits and other tropical commodities, such as spices and marmalades are being developed.

One of the important features of FT, though we have not mentioned it much so far, is volunteering.

As pioneers of the Fair Trade movement they count on the contribution of about 100,000 volunteers actively involved in Fair Trade all over Europe. The whole concept is very much dependent on these volunteers. Thanks to volunteering, which brings low or zero payment costs for employees in northern countries, it is possible to keep the final product prices on acceptable level (Communication, 1999).

The universal spread of FT trade certification clearly improved the FT concept awareness in public, and made FT products more easily accessible. In 2001, a uniform European (essentially whole-world) Fair Trade trademark was established, which gradually began to replace the seven various original national trademarks in 2003. The growth in demand for socially and environmentally acceptable products leads to the establishment of both independent certification and various codes of company or professional behaviour.

Their major problem, however, is that compared to independent certification, they are principally nontransparent, and consumers only can trust them without being able to test them.

8. Products

8.1 Food products

Coffee

Coffee is the second most trading commodity in the world after oil and the most important agriculture commodity in the third world.

It provides subsistence to more than 100 millions people and on coffee production is more than 25 millions of farmers from 80 countries dependent.

(Spilling the Beans on the Coffee Trade, 2002)

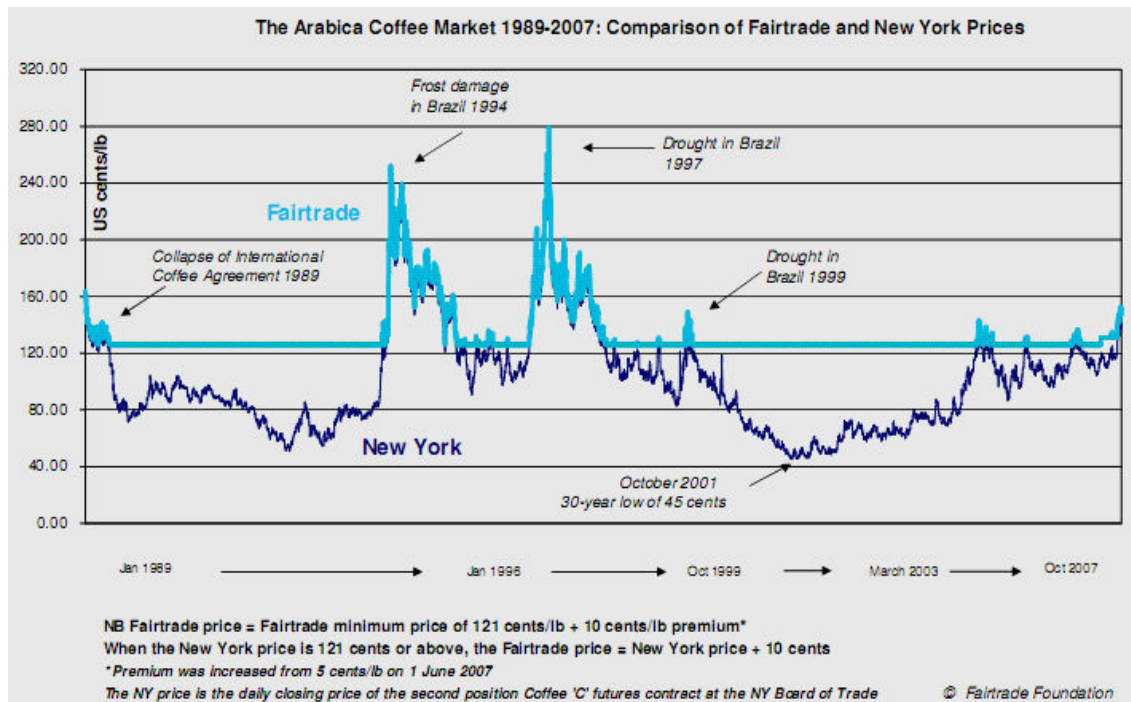
Annual coffee world turnover is 55 milliard US \$ and production is over than 7 millions metric tonnes. (Challenges of Fair Trade, 2001)

Toda the most important producers is Brasil, Vietnam, Colombia, Indonesia, India, Mexico, Guatemala, Ethiopia, Ivory Coast and Uganda.

(Challenges of Fair Trade, 2001)

There are about 25 million coffee farmers around the world and all remember the last coffee crisis. Almost overnight, international prices crashed. Hundered of thousands of farmers from the rainforest of Peru to the steep slopes of Kilimanjaro were forced out of business. It was yet another reminder of just how vulnerable coffee farmers are to the volatile international market and its wildly fluctuating prices.

For instance, in October 2001, during the worst of the world coffee price, a coffee producer was receiving on average 45 US\$ cents per pound of coffee. By selling to Fairtrade buyers this same producer was receiving a minimum of US\$ 121 cents (76 cents more per pound of coffee). It is important to keep in mind the volatile international coffee market and the wildly fluctuating prices of this primary commodity. It is in this difficult and unstable context that the Fairtrade Minimum Price and the Fairtrade Premium can make the most substantial difference to the lives of farmers.



Without all doubt, coffee is the most important and the most typical Fair trade product and make the biggest volume of Fair trade products. With cooperation of more than 185 associations with 510,000 members It helps to more than 25 million people in Africa, Latin America and Asia.

Coffee was the first Fair trade product-at first time in Netherland in 1973.

(Spilling the Beans on the Coffee Trade, 2002)

The biggest importer is USA (23.568 metric tonnes), United Kingdom (6.238 metric tonnes) and France (6.175 metric tonnes) (Table 3) (Data FLO international, 2007)

Tea

There are more than 30 tea producing countries in the world. In contrast to coffee and cocoa, tea is also consumed in rather vast quantities in these countries. Like cocoa, sugar, and coffee, tea is a product from colonial times, and the plantations in India, Sri Lanka, and East Africa are typical leftovers from the British Empire. In these countries, tea still represents an important good for export and foreign exchange. It is usually grown on plantations and not by small farm cooperatives. (Data FLO international, 2007)

The biggest producers are: India (28% of the annual production), China (24%), Sri Lanka (10%). Kenya (9%), Turkey (6%) and Indonesia (5,5%).

Three different types of tea are trading – black tea (fermented tea), green tea (nonfermented tea) and Oolong (semifermented tea).

The biggest exporters are: Sri Lanka (21% of the annual export), Kenya (19%), India (17%), China (16%), Indonesia (8%) and Argentina (4%).

(Challenges of Fair Trade, 2002)

The biggest importer is United Kingdom (2.839 metric tonnes), USA (286 metric tonnes) and France (279 metric tonnes) (Table 4).

Cocoa

70% of cocoa is from west Africa, 17% from southeast Asia and 13% from Latin America. Biggest producers and exporters are Ivory Coast and Ghana which together holds around 55% of the world's cocoa production. Other big producers are from Nigeria and Cameroon from Africa, in Asia Indonesia and Malaysia, in Latin America Brazil and Ecuador. (Challenges of Fair Trade, 2001)

In Ghana, 40% of the country's export revenues come from the sale of cocoa. Unfortunately, very little of the profit goes to the farmers who grow the cocoa beans. Cocoa farmers receive about a penny for a candy bar selling for 60 cents.

In fact, the difficulty in making a living at cocoa farming has spawned an increase in child and even slave labour drawn from poor neighbouring countries such as Mali, Burkina Faso, Benin, and Togo. In 2001, the International Labour Organization and others reported child slavery on many cocoa farms in the Ivory Coast, source of 43% of the world's cocoa. Subsequent research by the International Institute of Tropical Agriculture revealed some 284,000 children between the ages of 9 and 12 working in hazardous conditions on West African cocoa farms. Of these children, it was reported that some 12,000 child cocoa workers who participated in the study were likely to have arrived in their situation as a result of child trafficking. Children and other workers are forced to work long days picking and processing cocoa beans (it takes 400 of these pods to make just one pound of chocolate).

Fairtrade cocoa offers farmers an opportunity to make a real living, as the Fairtrade Standards guarantee a minimum price. A Fairtrade Premium of US\$150/metric tonne is added to the purchase price and is used by cooperatives for social and economic investments such as education, health services, processing equipment, and loans to members. If the cocoa is organic certified, the Fairtrade Premium is an additional \$200/metric tonne in addition to the Fairtrade Minimum Price.

The biggest importer is USA (3.864 metric tonnes), United Kingdom (2.947 metric tonnes) and France (1.088 metric tonnes) (Table 5) (Data FLO international, 2007)

Sugar

Sugar is one of the most important world commodities, produced and consumed around the globe. However, for the millions of farmers working to cultivate sugarcane, there are significant obstacles to earning a decent livelihood. Because sugar is also produced by developed countries in the North which subsidize and protect their sugar industries, it becomes even more difficult for farmers in small, resource-producing countries to make enough income to live on.

The biggest world sugar exporters are: Brasil (18% of the annual export), European Union (15 %) and Thailand (11%) (Pare, 2002)

The most dependent on the sugar exports are these countries: Belize (39% of the total amount of this country export), Dominican republic (24 %), Guyana (36 %), Fiji (40 %), Cuba (69 %), Mauritius (28 %) (Challenges of Fair Trade, 2001)

The biggest importer is United Kingdom (2.172 metric tonnes), USA (1.625 metric tonnes) and France (967 metric tonnes) (Table 6) (Data FLO international, 2007)

Rice

Since the 1960s, rice production has increased steadily. Many developing countries - such as India - that were once facing shortages are now able to meet their own needs and even export excess stocks. More than a billion people - predominantly small

farmers in the South - make their living mainly or even exclusively from rice production.

In fact, small farmers are often forced to sell not only their surplus but also the bulk of their harvest at prices below their production costs. Only in the rarest cases do they possess the means to store freshly harvested paddy rice and then to sell it when it will bring the best price. In addition, in many regions it is becoming increasingly difficult, if not completely impossible, to sell domestic rice at sustainable prices.

Due to trade liberalisation policies negotiated in the framework of the WTO, subsidised rice from highly efficient producer countries such as the US or Japan can enter foreign markets at prices below the production costs. In other words, subsidised rice is dumped onto the international markets. Also, the price for “improved” seeds and the associated agricultural chemicals are steadily increasing. To buy these, farmers often have to take out loans and, once in debt, very few ever manage to free themselves from the vicious circle of indebtedness; ultimately, they are often forced to sell what little land they own.

In 2000, FLO took the first steps towards the introduction of the Fairtrade Standard for Rice to open up new markets for the benefit of small farmers. Today a total of 15 rice producer organizations in Thailand, India, Egypt and Laos are Fairtrade Certified.

The biggest rice producers are: China (31% of the annual production) India(21%), Indonesia (8,6%), Bangladesh (6%), Vietnam (5%) and Thailand (4%).
(Challenges of Fair Trade, 2001)

The biggest exporters are: Thailand (29% of the world export), Vietnam (18%), USA (12%), China (9%) and Pakistan (8 %).(Challenges of Fair Trade 2001:138.)

The biggest importer is Switzerland (978 metric tonnes), France (778 metric tonnes) and United Kingdom (385 metric tonnes) (Table 7) (Data FLO international, 2007)

Bananas

Today bananas represent the fifth most trading agriculture commodity in a world trade after cereals, sugar, coffee and cacao. As regards the total value of production, bananas holds the fourth place after rice, wheat and corn.

The annual total production is about 86 million tons and 14% trades on the world market (Liddell, 2000)

Biggest producers are India, Brasil, Ecuador, Philippines, China and Indonesia. But in the case of India, Brasil and China they produced mainly for their home consumptions. The biggest exporters are Ecuador which holds 34% of the annual world export, Costa Rica (18%), Colombia (13%), Philippines (9%), Guatemala (6%), Honduras and Panama (4%). (Challenges of Fair Trade, 2001)

The European Union is the biggest market in the world for bananas, so a significant share of all bananas in the world are shipped to the EU (FLO) its about 4 milion tons a year which is 35% of the bananas world trade going to european market (Challenges of Fair Trade, 2001)

As a result of the steady decrease in banana prices over the past decades, the daily life of many plantation workers and small farmers in producer countries is characterized by unfair wages, poor and dangerous working conditions, and an extensive use of pesticides – issues which have also been criticized by human rights organizations, such as Human Rights Watch.

Bananas bearing the Fairtrade Certification Mark have been produced on small farmer organizations or in plantations that meet very high social and environmental standards. Farmers who produce Fairtrade Certified Bananas are guaranteed a floor price (Fairtrade Minimum Price) to cover the average cost of production, and a Fairtrade Premium of 1US\$ per box of bananas to invest in social and economic initiatives in their communities (Data FLO international, 2007).

Fair trade in bananas started in the seventies, when Frauenfelder Bananefrauen-Swiss volunteer group began working on campaign dealing with conditions in bananas trade.

The first so called „bananas of solidarity“ from Nikaragua were sold in seventies in Switzerland and soon in markets in Belgium and Germany. (Mainstreaming Fairtrade Labelling, 2002)

Today is possible to buy Fair trade bananas in 15 european countries, Canada, USA and Japan fom 28 banana producers mainly from Dominican republic, Ecuador, Ghana, Colombia, Costa Rica and Caribbean Islands. (Challenges of Fair Trade 2001:128.) The biggest importer is United Kingdom (60.276 tonnes), Switzerland (27.981tonnes) and Finland (7.306 tonnes) (Table 9)

The best success is in Switzerland where Fair trade bananas make almost 20% of the market share of bananas and the selling price in markets is the same as conventional producted bananas. (Max Havelaar Switzerland Report, 2001)

Fresh Fruit

In 2002, nine banana producers and two mango producers became the first fresh fruit producer organizations certified by FLO. At the end of 2005, more than 70 producer groups or farms were certified in at least 10 different countries. They produce:

- Exotic fruit: bananas, bananitos and pineapples
- Citrus fruit: oranges, lemons, limes, and mandarin oranges
- Sub-tropical fruit: avocados, and mangoes
- Deciduous fruit: apples, grapes, pears, and plums

Honey

During the 1970s, the local government of Oaxaca State in southeastern Mexico trained farmers, mostly indigenous people, in beekeeping to help them to generate some income and so to make their way out of poverty. But the only buyers they had for their honey were „coyotes“ – unscrupulous middlemen who paid very little, or nothing at all.

At the end of the 1980s, some of the producers formed an unofficial union, which eventually became the Miel Flor de Campanilla Cooperative. In the nineties, they became Fairtrade Certified and were able to find markets for their products by selling without intermediaries. Since then, Flor de Campanilla has built an enterprise which sells 60 tonnes of honey a year to international buyers. Flor de Campanilla is one of the 25 honey cooperatives that are currently Fairtrade Certified. For them, Fairtrade has opened up opportunities in a difficult market environment (Data FLO international, 2007).

Honey is not traded on the stock exchange. The price depends on various production costs, different climate and vegetation zones, and the yield per bee colony. There have been fierce price battles on the market for honey that resulted in beekeepers being hardly able to live from their income on the conventional market (Table 8)

Juices

Many local juice producers have experienced great difficulties as prices have decreased significantly on the world juice market. The price for oranges, for instance, is quite often so low that the income does not even cover the production costs for small- and medium-sized producers. The production of orange juice is experiencing increasing economic concentration with a few powerful multinational corporations controlling the market. This dramatically reduces the ability of small farmers to compete on the international market; many of them do not survive.

A lot of the fruit used for juice production is grown on plantations that often rely on contracted temporary workers. In order to keep the production costs down, many plantations employ workers to inhumane conditions. Among other things, these workers face very low wages, poor living conditions, and insufficient medical supplies.

In this environment, Fairtrade helps small farmers to survive on the world market by selling their products for a guaranteed price that is independent from market developments. Fairtrade also guarantees a fair wage for plantation workers and secures humane living and working conditions. In Brazil, for instance, FLO requests the

registration of workers through contracting organizations that provide social security and salaries above minimum wage.

FLO-certified cooperatives have used the Fairtrade premium to invest in education by supporting schools and offering computer courses and illiteracy programs; in health and safety through, for example, nutrition programs for children; and in environmental projects, such as the conversion to organic farming.

At the end of 2006, FLO International worked with 23 juice producer organizations in Africa and Latin America (Data FLO international, 2007)

The biggest importer is France (3230 metric tonnes), United Kingdom (1090 metric tonnes) and Switzerland (772tonnes) (Table 10)

Nuts and Oilseeds

Fairtrade nuts and oilseeds are relatively new within the Fairtrade product range. Most of the nut-producer cooperatives are developing and adapting to the particularities of the Fairtrade market, while others are still in the certification process. Many of the nut and sesame seed producing cooperatives comprise a very large number of small holders (e.g IKURU in Mozambique has 20,000 members, 300 associations).

Fairtrade-certified nut and oilseed producer organizations are located in Africa, Asia, and Latin America. Only the Amazon/Brazil nut is regionally restricted to the Amazon region (Data FLO international, 2007.)

Spices and Herbs

One of the most recent product launches in the Fairtrade Labelling System are spices and herbs. Since the approval of the standards in 2005, Fairtrade spices have been introduced in many countries such as France, the United Kingdom and the United States.

The category of spices and herbs covers a number of different products. Regarding spices, we find, amongst others, vanilla, pepper, ginger, turmeric, while some of the

included herbal products are lemongrass, lemon verbena, peppermint, celery and oregano (Data FLO international, 2007).

Wine

Fairly traded wines were introduced into the wider Fair Trade market in the mid 1990s by Alternative trade organizations (ATOs).

However, wine is still a relatively new market for FLO. The first standards for wine grape production were approved in October 2003. Initially, they were limited to South Africa. In August 2004, the standards integrated a Fairtrade Minimum Price and a Fairtrade Premium for Chile. In February 2006, a Fairtrade Minimum Price and Fairtrade Premium were set for wine grape production in Argentina.

South Africa

The first two FLO producers in South Africa were certified in 2003. Currently there are over 20 Fairtrade Certified Vineyards, which are grouped around five wineries. The wineries, or wine cellars, are mostly also co-owned by the producers who supply their wine production to them. On the certified wine vineyards approximately 1900 permanent and non-permanent workers are employed.

Main markets for Fairtrade Wine from South Africa are currently the United Kingdom, Germany, the Netherlands, Ireland, Austria, Belgium, Denmark, Finland and Japan.

Chile

FLO started to certify the first four producers in 2004. All have been supplying the ATO market for some time without having been Fairtrade Certified.

In total, around 530 wage workers and cooperatives members benefit from Fairtrade. The main export market is Europe.

Argentina

The country has well over 208,000 ha under wine grape production and is the biggest wine producing and consuming country in South America.

Around 70% of the wine is produced in the state of Mendoza. Other wine regions are San Juan, San Luis, La Rioja, Rio Negro, Catamarca, La Pamp, Córdoba, Neuquén, Salta, and Tucumán. The industry has about 40,000 small- and medium-size producers and a few major wineries.

FLO completed the Fairtrade Standards for Argentina in February 2006. Currently, one wine producer is certified in the region of La Rioja, and about ten others are in the application process. These are located in the Mendoza region.

The biggest importer is United Kingdom (2,409.77 thousands of litres), Netherlands (352.00 thousands of litres) and Germany (237.00 thousands of litres) (Table 11) (Data FLO international, 2007)

Composite Food Products

Composite products means end products that are made up of different types of Fairtrade products in combination. At times these are also combined with other non Fairtrade ingredients. In order to be clear on what can be considered a Fairtrade product a policy has been created.

For example chocolate, chocolate or fruit müsli bars and others sweet stuff as cookies, jams, rooibos tea, honeybushes, quinoa, guarana drinks, maté, opossum, chutneys, rum, cachica and even Fair trade chewinggums (Gepa, 2002).

8.2 Non food products

Flowers

In some African countries, the cut-flower industry is one of the major export earners. In Kenya, it employs 70,000 people, the majority of whom are women.

In a 2002 study conducted by the Kenya Human Rights Commission (KHRC), the industry was accused of paying their workers less than \$1 US a day for an 8- to 12-hour workday and of housing them in crowded facilities. Workers were often required to handle dangerous chemicals without proper protective equipment, putting them at risk of being poisoned.

In these situations, through labelling, Fairtrade aims to support these campaigns by certifying those farms which ensure safety and good working conditions for the employees. Consumers in diverse countries can now purchase Fairtrade flowers from developing countries with the guarantee that the rights of the workers who have produced them are being respected.

At the end of 2006, FLO International worked with 28 flowers and ornamental plants farms in Africa, Asia, and Latin America.

The biggest importer is Switzerland (82.595 thousands of stems), United Kingdom (47.292 thousands of stems) and Canada (15.932 thousands of stems) (Table 12) (Data FLO International)

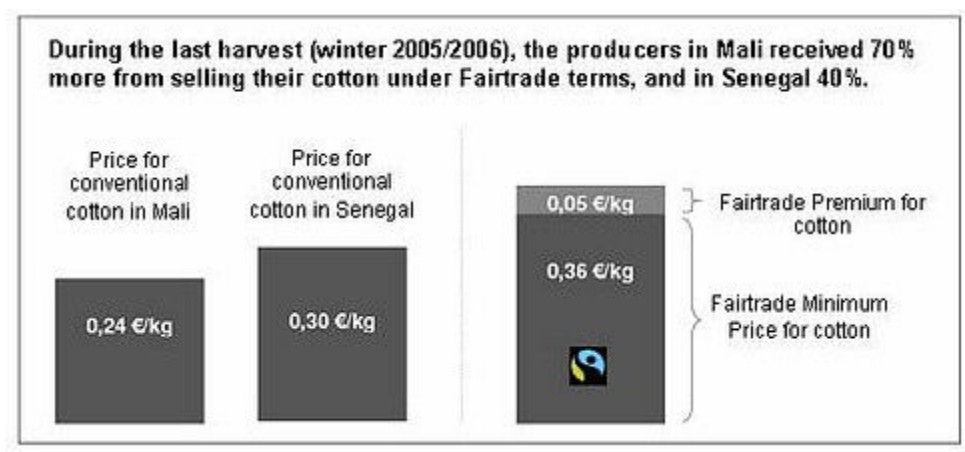
Cotton

Cotton is the major source of foreign exchange and government revenue for West African countries such as Burkina Faso, Mali, and Benin and it is estimated that 10 million people in the region depend directly on cotton production for their living. In many small villages in these countries, cotton is the mainstay of that rural community, providing the major, and in some cases the only, source of income for many inhabitants.

According to the World Bank, the West Africa region is among the lowest-cost producers of cotton. Yet despite this comparative advantage, it is losing world markets, and its cotton farmers are suffering rising poverty. US and, to a lesser extent, also EU

cotton subsidies, are contributing to slumping world cotton prices. According to a report released by Oxfam as recently as June 2007, by eliminating US cotton subsidies the revenues of 10 million Africans would rise by 2.3 to 5.7 percent.

FLO developed Fairtrade Standards for cotton in 2005. FLO estimates that 28.000 farmers are currently benefiting from the initiative. For those farmers who are already selling their cotton to the Fairtrade market, the financial benefits are significant. For example, in the 2005/06 harvest, the income farmers received for Fairtrade Cotton compared to the cotton traded under conventional terms was 40 % higher in Senegal and 70 % higher in Mali. This additional income made it possible to concretely improve the lives of many communities. (see the graph)



source: FLO International

At the end of 2006, FLO International worked with 14 cotton producer organizations in Africa, Asia, and Latin America.

The biggest producers of cotton are: China (20,3% of the annual production), USA (18,7 %), India (14,5 %), Pakistan (9,4 %), Uzbekistan (6 %) and Turkey (4,4%)

Important is also production of these west African countries: (Mali, Senegal, Benin), their productions in total is around 4,8 %; in European Union (Spain, Greece) which produced 550,000 tonnes (2,9%). The biggest processors are China, India, USA, Turkey, Brasil, Indonesia and Mexico. (Challenges of Fair Trade, 2001)

Sports Balls

Sport balls were the first non-food product which was Fairtrade Certified. The movement toward Fairtrade Certification of sport balls began in 2001, and was a logical progression from the elimination of child labor in the soccer ball industry in Pakistan. During the mid-late 1990's, the ILO IPEC initiated a program to eradicate child labor in the soccer ball industry. The program involved traders, producers, and civil society, and succeeded in effectively removing child labor from the industry.

As a parallel effort, in 1997 TransFair Italy began a project called "Palloni Eticii", which focused on campaigning around the child labor eradication efforts and marketing balls that were child labor free. This program involved working with one producer (Talon, now Fairtrade Certified) (Data FLO international, 2007).

The biggest importer is Germany (83.617 items), United Kingdom (29.850 items) and Italy (14.952 items) (Table 13)

9. Fair trade in the Czech Republic

In the Czech Republic, Fair Trade is still in its beginnings. Still, the interest of Czech consumers, especially in Fair Trade bio products, rises every year. For example, the 2006 organic food annual sales were 350 million CZK, while in 2007 they reached 700 millions CZK. Organic food importers and dealers found out that the interest in these products is no longer marginal, and that the retail situation is gradually changing. Some vegetarian restaurants, healthy diet shops, ethnic goods shops, coffeehouses, and other places are becoming more involved in the Fair Trade products and organic food sales.

In August 2004, a Fair Trade Association was founded in the Czech Republic. ⁽¹⁵⁾

Its aim is to support Fair Trade; organizations such as Ekumenická akademie Praha Co., ⁽¹⁶⁾ Obchůdek jednoho světa – Jeden svět Co. ⁽¹⁷⁾ and Společnost pro fair trade a rozvojové vzdělávání Co., Fair Trade Centrum Ltd. ⁽¹⁸⁾, and EXCELLENT Plzeň Ltd. ⁽¹⁹⁾ were interested in this concept for a long time, and participated in its birth. The main task of the Association is raising public awareness of Fair Trade, its principles and aims, as well as organising promotional campaigns supporting Fair Trade products. Furthermore, the Association supports existing shops, provides counselling, and initiates creation of new shops and places focused on Fair Trade products sale. Together with international partners, the Association monitor the sales of products carrying FAIR TRADE trademark. This trademark is allocated by Fairtrade Labelling Organizations International (FLO).

FLO is an independent organization, which controls the production and manufacturing, and gives the certificates – FAIR TRADE trademarks via national initiatives (e.g. German Transfair)

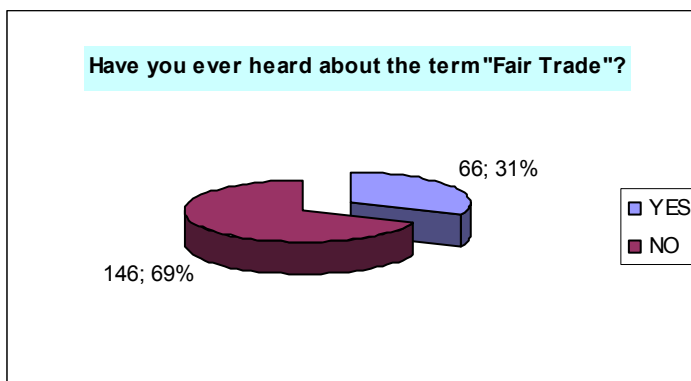
10. Results

A market research from February to April 2008 period was aimed at discovering the consumers' knowledge of Fair trade, and their willingness to take part in this alternative trading pattern.

69% of respondents said that they have never encountered the term "Fair trade" in connection with the production, import and sale of products and commodities from economically underdeveloped countries. This fact represents an important impulse for the companies that trade in Fair Trade goods, to focus especially on sales promotion and public awareness.

PI = Personal Interview; E-Q = E-Questionnaire; TOTAL = PI + E-Q

Chart 1 – Have you ever heard the term "Fair Trade"?

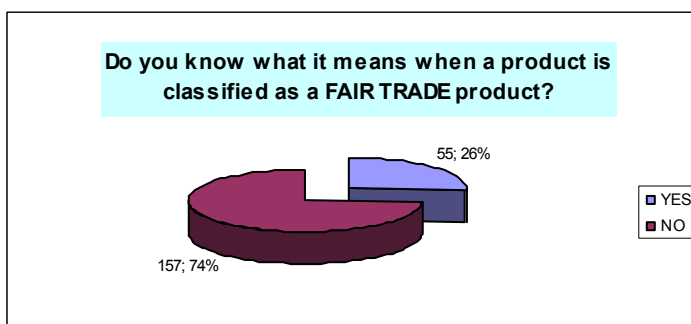


	PI	E-Q	TOTAL
YES	44	22	66
NO	68	78	146

source: author – Bc. Miluše Stará

In this chart, it is visible that most respondents did not know what the Fair Trade label on a product meant; this was true even in the cases when a respondent knew, or at least heard about Fair Trade.

Chart 2 – Do you know what it means when a product is classified as a FAIR TRADE product?

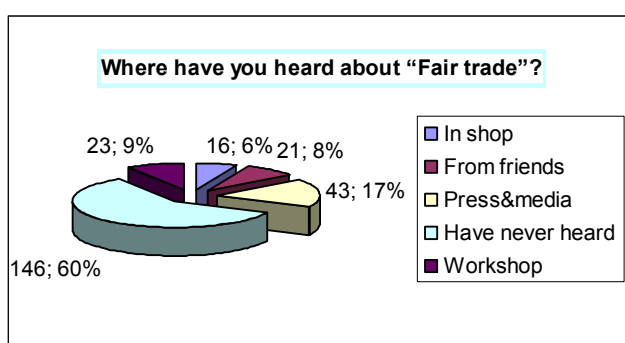


	PI	E-Q	TOTAL
YES	37	18	55
NO	75	82	157

source: author – Bc. Miluše Stará

The following chart suggests the ways in which the respondents gained their knowledge about Fair Trade. From the chart, it is clear that most people have never heard about Fair Trade before - those who have, gained their knowledge mostly from the press and media. Other information sources are merely marginal. Currently, majority of companies cannot afford to exploit the traditional commercial advertising of a wider range. They should therefore make every endeavour to publicize Fair Trade in thematic articles (such as in Novy prostor, etc.), thematic broadcasting, etc.

Chart 3 – Where have you heard about “Fair trade”?

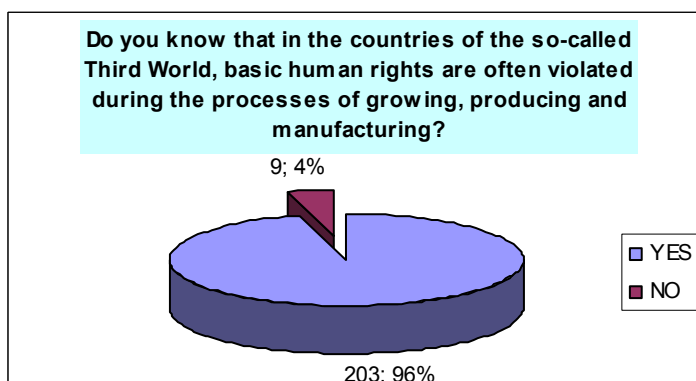


	PI	E-Q	TOTAL
In shop	10	6	16
From friends	11	10	21
Press&media	24	19	43
Have never heard	68	78	146
Workshop	12	11	23

source: author – Bc. Miluše Stará

The following question was formed to find out whether the respondents knew that in the countries of the so-called Third World, basic human rights are often violated during the processes of growing, producing and manufacturing. Here, 96 % of respondents knew about his fact, while 4 % did not know about it.

Chart 4 – Do you know that in the countries of the so-called Third World, basic human rights are often violated during the processes of growing, producing and manufacturing?

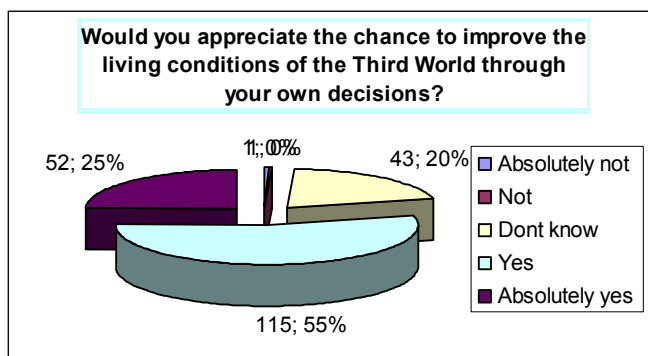


	PI	E-Q	TOTAL
YES	107	96	203
NO	5	4	9

source: author – Bc. Miluše Stará

It is obvious that a considerable part of the population is more or less familiar with the situation of the Third World countries. The answers to the following question suggest that 80 % of respondents would rather/definitely appreciate the possibility to change these conditions via their own decisions. This creates a very good start for a successful market entrance of the Fair Trade companies.

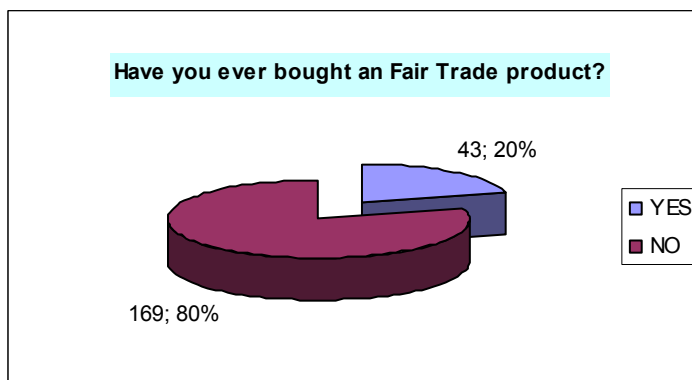
Chart 5 – Would you appreciate the chance to improve the living conditions of the Third World through your own decisions?



	PI	E-Q	TOTAL
Absolutely not	0	1	1
Not	0	1	1
Dont know	21	22	43
Yes	69	53	115
Absolutely yes	29	23	52

source: author – Bc. Miluše Stará

Chart 6 – Have you ever bought an Fair Trade product?

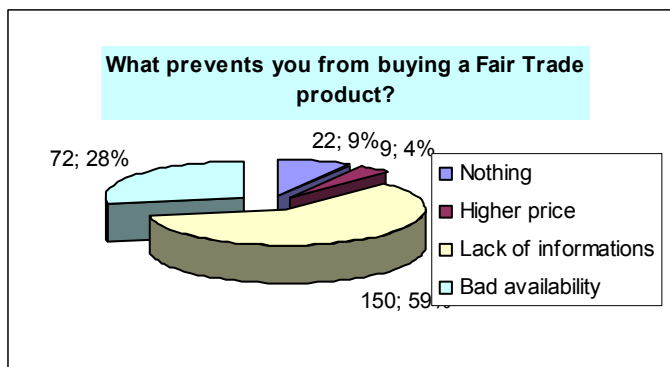


	PI	E-Q	TOTAL
YES	28	15	43
NO	84	85	169

source: author – Bc. Miluše Stará

As we can see, in the chart below, the biggest obstacle in the potential purchase of an Fair Trade product is lack of information (in about 59 % of the population), as well as insufficient product accessibility. This means that the companies need to focus on information promotion and improving of product accessibility. One possibility is to introduce the Fair Trade products into business chains. This would make the product more accessible; currently, these products are sold in special shops only, and Czech customers often do not even know about their existence.

Chart 7 – What prevents you from buying a Fair Trade product?

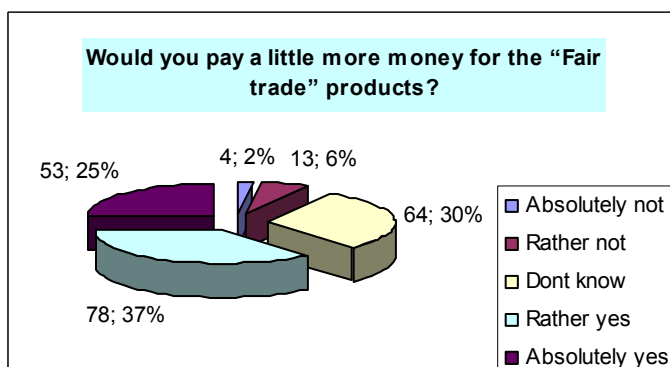


	PI	E-Q	TOTAL
Nothing	10	12	22
Higher price	4	5	9
Lack of informations	65	85	150
Bad availability	42	30	72

source: author – Bc. Miluše Stará

The following question dealt with willingness of the respondents to be personally involved in the Fair trade as customers. As you can see in the following chart, 62 % of respondents chose “yes or rather yes” answer. Another majority group said they did not know.

Chart 8 – Would you pay a little more money for the “Fair trade” products?



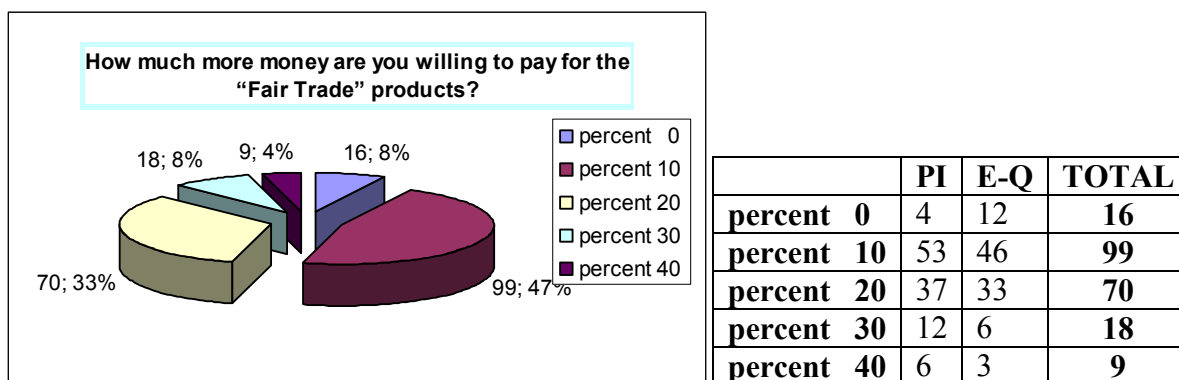
	PI	E-Q	TOTAL
Absolutely not	0	4	4
Rather not	1	12	13
Dont know	30	34	64
Rather yes	38	40	78
Absolutely yes	43	10	53

source: author – Bc. Miluše Stará

Respondents’ answers were positive, however, it is not clear what original price they were comparing rise the increase to. – Compared with the cheapest products, the increase can be 100%. On the other hand, if we compare the price with a product of a

higher category, the increase can be less than 5%. The important indicator for the companies is that the consumers seem to be willing to pay more money for certified goods. – Forty seven per cent of respondents claimed that they would pay 10% more; compared to an average price they are used to. Thirty three per cent of respondents would pay even 20% more.

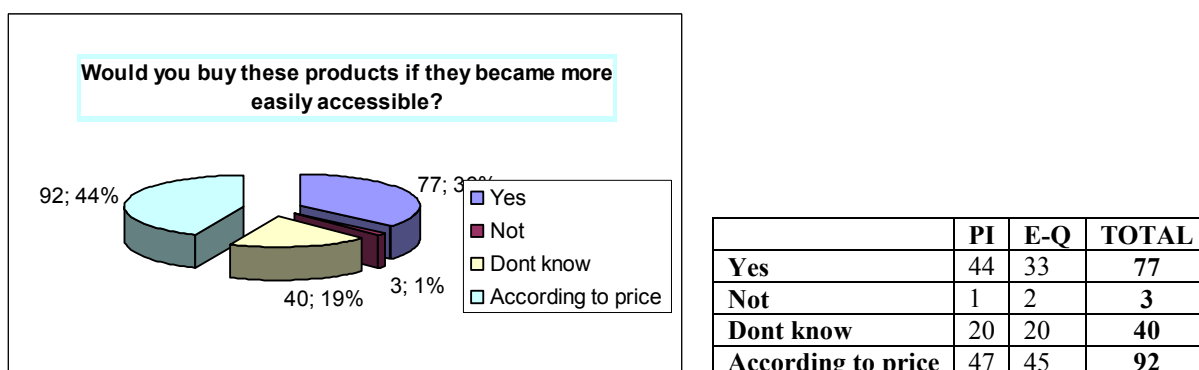
Chart 9 – How much more money are you willing to pay for the “Fair trade” products?



source: author – Bc. Miluše Stará

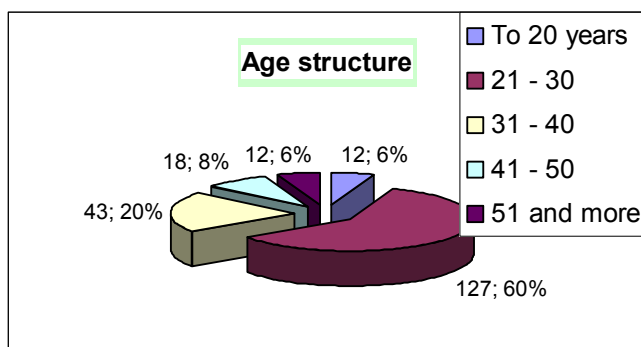
This chart suggests that if the products were more easily accessible, customers would choose goods according to price. The chart also shows that a considerable number of people would definitely buy the products and their price would not be the most important factor in their decision.

Chart 10 – Would you buy these products if they became more easily accessible?

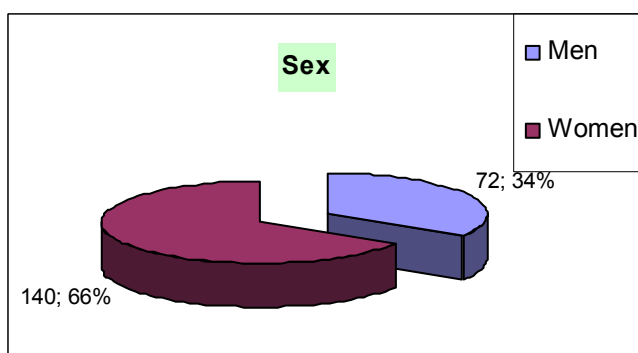


source: author – Bc. Miluše Stará

The following charts show demographic and social structure of respondents – their sex, age, education, profession, wages, and size of their house.

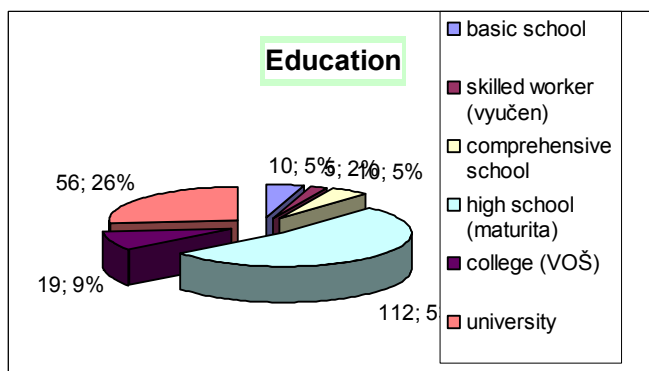


	PI	E-Q	TOTAL
To 20 years	5	7	12
21 - 30	68	59	127
31 - 40	27	16	43
41 - 50	8	10	18
51 and more	4	8	12



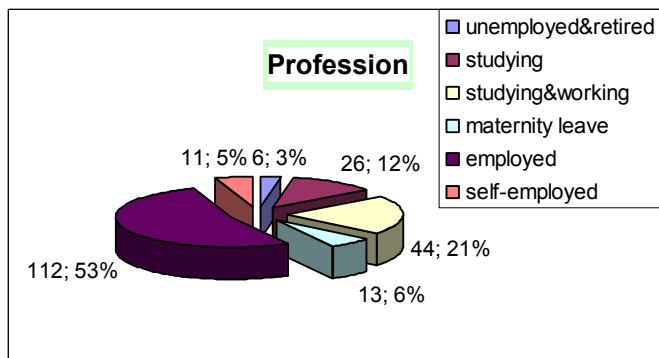
	PI	E-Q	TOTAL
Men	33	39	72
Women	79	61	140

source: author – Bc. Miluše Stará



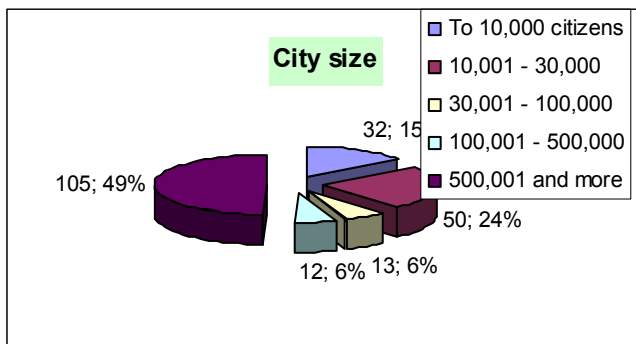
	PI	E-Q	TOTAL
basic school	6	4	10
skilled worker (vyučen)	4	1	5
comprehensive school	7	3	10
high school (maturita)	68	44	112
college (VOŠ)	8	11	19
university	19	37	56

source: author – Bc. Miluše Stará

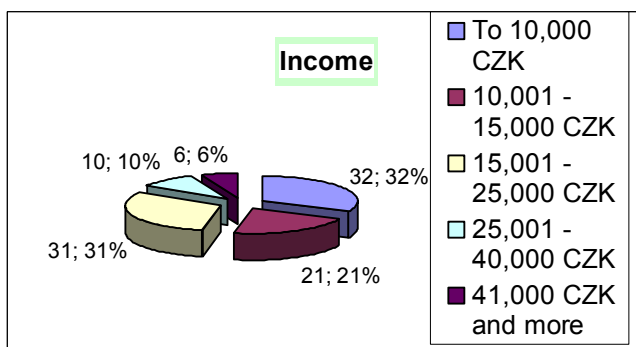


	PI	E-Q	TOTAL
unemployed&retired	4	2	6
studying	15	11	26
studying&working	21	23	44
maternity leave	6	7	13
employed	62	50	112
self-employed	4	7	11

source: author – Bc. Miluše Stará



.000 citizens	PI	E-Q	TOTAL
To 10,000	8	24	32
10,001 - 30,000	27	23	50
30,001 - 100,000	3	10	13
100,001 - 500,000	5	7	12
500,001 and more	69	36	105



CZK	Total E-Q*
To 10,000	32
10,001 - 15,000	21
15,001 - 25,000	31
25,001 - 40,000	10
41,000 and more	6

source: author – Bc. Miluše Stará

* For income were asked only consumers in e-research part of this survey

SWOT analysis

STRENGTHS

- ▶ Fair Trade goods demands grows.
 - ▶ High product quality.
 - ▶ All products are certified by the FLO international organization as Fair Trade products.
 - ▶ All food products are also certified as organic food; and Czech customers are increasingly interested in these.
 - ▶ Good product availability via Internet shops
 - ▶ Flexible supply.
-
- ▶ Companies are supported by other Fair Trade organizations (e.g. on first delivery, they are offered several moth/year interest free business loans)
 - ▶ Very good relationship with German suppliers El puente, DWP, Gepa.
 - ▶ Possibility to cooperate with Prague Ecumenical Academy on educational and promotional activities.
 - ▶ Knowledge of the Third world countries' issues and connections.
 - ▶ Possibility to use the existing Ekumenickal Academy contacts.
 - ▶ The companies had the chance to watch Fair Trade development in Germany, where it operates successfully for several decades, and thus accelerate their own development.
-
- ▶ Fair trade brings and supports organic farming, planting and soil conservation projects.
 - ▶ It participates in rural development; taking business to towns; supports small farmers.
 - ▶ Offers employment in both remote rural areas and city slums.

WEAKNESS

- ▶ Czech FT organisations do not have enough practical business experience.
- ▶ Fair Trade companies currently have low personnel capacity.
- ▶ Insufficient own funds; expensive foreign funds
- ▶ Low sales.
- ▶ So far insufficient business cooperation with their Fair Trade organizations in the Czech Republic.
- ▶ Limited range of goods for the time being.
- ▶ Concept novelty.
- ▶ Insufficient concept awareness.
- ▶ Bad accessibility.
- ▶ Price oriented Czech customer, low purchase power.
- ▶ Higher price – also caused by suppliers (no direct supply in the Czech Republic).

OPPORTUNITIES

- ▶ The society shows increasing tendencies towards sustainable lifestyle, consumer awareness, and interest in quality, ethically ‘pure’ products
- ▶ In some ‘better developed’ European countries, the FT business is highly successful
- ▶ The increasing public interest makes the multinational companies come up with public announcements regarding the way their products are manufactured and produced. This discussion gives space to alternative ways of business.
- ▶ The development cooperation awareness, and its connections, is growing
- ▶ In the Czech Republic, there is a tradition of increased level of ‘charity’ projects support.
- ▶ The market is not fully covered – there is a big chance of individual development.

THREATS

- ▶ Czech customers are strongly price oriented; regarding costs, Fair Trade companies cannot compete with others, and that is what bring the threat of possible refusal of higher prices by customers.
- ▶ Consumers' indifference.
- ▶ Similar trends established by competition.
- ▶ Increase in number of certification marks and systems – confusing the customer.
- ▶ Possible fake Fair Trade certificates leading to loss of reliability.
- ▶ Possible problem of supply over demand, price stability disturbance and consequent price reduction.
- ▶ Danger of focusing on one group of customers only, creating a zone of relative wealth, and consequent diversion from Fair Trade.
- ▶ These companies have very strong multinational competitors (e.g. Nestlé, Tchibo,...), which may start a strong defensive actions in case they feel threatened.
- ▶ Possible Euro up and downs.
- ▶ Decrease in overall purchase power of the population

11. Discussion

Marketing strategy

The overall demand for coffee, cocoa powder and chocolate is not expected to be rising. Thus, the FT companies need to win their own place in the existing market. For these companies, a profile strategy is convenient; it is not focused on price competition, but on the quality of goods. It will concentrate itself on goods added value, from the point of view of moral and ethical values, as well as high quality. The aim is to inform the traders about the products journey beginning with the producer and ending with final consumer; and to explain the difference between free and fair trade. The Fair Trade alternative offers the possibility, while making daily shopping choices, to change the lives of people who are involved in producing the products we buy.

Marketing mix (4P- Product, Price, Place, Promotion)

Product

It is important to understand who creates the Fair Trade product target group.

See the market segmentation in the Czech Republic.

Currently, both Fair Trade and BIO (products of organic farming) products create the majority of products imported into the Czech Republic.

At present, the diversity of products includes around 200 types of merchandise. These are coffee, tea, cocoa powder, chocolate, cane sugar, other confectionery; art and manufactured products, such as pottery, glass, textile, jewellery, musical instruments, toys, and house accessories. Nevertheless, 95% of the turnover is created by coffee, tea, cocoa powder and chocolate.

Since the Fair Trade products come from various producers, it is not possible or wanted for them to be sold under one trademark. The important identification feature is the Fair Trade certificate (and possibly the BIO certificate), which allows the customer to recognize these products from conventional ones. These two certificates belong to the extensive group of eco-labelling, or eco-marking. Eco-labelling is a certification system

of environmentally friendly products. The assessed features are production process (i.e. energy consumption, emissions, release of pollutants, etc.), product lifecycle (the material and its consumption; ways of disposal or recycling of the material; the amount of energy needed for production and disposal, etc.), and packaging. There are two eco-labels in the Czech Republic: Environmentally friendly product and Organic farming product (BIO). The national programme for environmentally friendly products labelling is based on creating a market competition among products of comparable quality characteristics. This is to be done by introducing another selection criterion, which involves given product ecological requirements. The programme guarantee is the Ministry of the Environment of the Czech Republic.

Price

This alternative way of business, just like the Fair Trade concept, attempts at reaching the 'fair price'. This would allow all dealers to make their living, without risking that any one of them would gain disproportional profits, or would have to fund the losses from other sources. From this angle, the volunteer work, which was the only way to make the Fair Trade trade function in the initial phase, can be seen as 'unfair' to the volunteers.

Compared with common products, the Fair Trade products are slightly more expensive. This is caused mainly due to the higher purchase prices of the raw materials within the Fair Trade market. The purchase prices include producer floor prices, as well as social and environmental programmes benefits in given area.

In case of organic products, the higher price is also caused by the high quality of production, as this, compared to common production, is more time-consuming and more financially demanding. The Fair Trade products in organic quality are completely comparable with the commonly sold organic products! The example of higher prices can be easily shown on chocolate prices. Ordinary chocolate is made out of grant-aided beetroot sugar. Its low price thus does not even match the production costs. Fair Trade chocolate, on the other hand, is made out of high quality cane sugar, which is not grant-aided, and which is fully included in the costs. The result is thus a 100% price difference.

Promotion

In order to persuade a Czech customer, who is strongly price oriented, to pay more money for a product he finds as useful as a common product, a discussion is necessary. It is vital to bring Fair Trade product information to as many people as possible.

Undoubtedly, one of the most effective means of communication is media. So far, only some alternative printed periodicals, such as Literární noviny, Nový prostor, Bedrník, Bio, etc., cooperate with Fair Trade. However, news on Fair Trade begins to appear in wider context, without previous planning, already. One of the possibilities of spreading Fair Trade into media is contacting celebrities. These would then present their Fair Trade project support in their public speeches, on an exhibition or a workshop.

An important part, from the informational point of view, is educational sphere. This is dealt with by, for example, famous Czech Fair Trade Company, Ecumenical Academy, which includes development education in its activities. In this area, conventional promotional tools of volunteer sector are mostly used. These are lectures and seminars, which are either directly focused on Fair trade issues or at least an Fair Trade refreshment and information stand is placed nearby. Currently, Fair Trade information appears at all kinds of events and places (music clubs, concerts, festivals, workshops, and exhibitions...).

The Internet is of remarkable importance in the area of communication. If you are interested in Fair Trade, you can find very complex information on the web pages of the involved companies. The important thing for these companies is to build active Internet domains, with the highest possible number of key search words.

Within the scope of communication with customer, Fair Trade emphasizes certain form of development education; giving information on global events, negative aspects of free trade, and environmental problems, etc.

Place

In the beginnings, the world treated Fair Trade rather like a charitable activity – this was reflected in the places where Fair Trade products were sold: churches and parishes. Gradually, the Fair Trade products were moved into specialised shops. In some countries they can be currently found in common shops and supermarkets.

In the Czech Republic, Fair Trade started developing in 2004, and it immediately joined on the last phase of the world Fair Trade development.

According to the market segmentation, the following areas need to be focused on:

Organic food shops - it is definitely an advantage that the higher price is not such a big problem here. The customers are used to a quality level, for which they need to pay. The owners themselves are usually very supportive of the Fair Trade initiative.

Teashops – here the price is not a remarkable problem either. The prices of Fair Trade products do not differ from the usual tealeaves or coffee prices sold in the teashops much.

Cafes – here the attention should be focused mainly on the minority of luxurious restaurants that serve high quality coffee of special brands and kinds. Conventional cafes usually serve only one brand of coffee, for which they gain various benefits from its supplier (free service, technology loans, etc.) – and these are difficult to compete with.

Supermarkets, hypermarkets, and food selling chains – from foreign development patterns, it is obvious that this area is likely to be very successful. A large number of customers can be reached this way; if sufficient amount of informational material is provided, it also is essential promotion possibility. Communication with management is crucial. It is necessary to appeal to the social marketing idea, the improvement of company image, and creative advertisement means.

Ethnic goods and gift shops - customers are interested in originality. Therefore, Fair Trade hand-made products are most prominent here; food only plays a subsidiary role.

Common shops – With regard to high prices and relatively low margins, the chances of success are minimal. Current situation in small shops makes it almost impossible for an owner to introduce high quality, but expensive goods. There might be some chance for Fair Trade products in specialized shops (e.g. exotic international food).

The selling places in the Czech Republic are: (see the tables 14 - 19).

12. Recommendation

Potential customers

Based on information gained from market analysis, Fair Trade companies should focus on these groups of potential customers:

A) Current organic food consumers

- Vegetarians, vegans, and people seeking organic food for ideological reasons;
- Group of people who buy organic food, because they consider it a question of prestige and trend.

This group of organic food consumers represents especially consumers who look for quality and environment friendly goods, and who are willing to pay higher than usual price for quality assurance.

B) Students – they represent the youth, and are open to new trends. They also wish to improve current relationships in society.

C) Group of travellers, volunteers, etc. – they have social experience from other countries

D) Group of people who are actively involved in possible improvements of improperly working systems

These are social and eco –activists, people in opposition to globalization, volunteers and NGO workers, alternative groups, and other groups, who are aware of the fact that their actions can help the Third World people, and save precious natural resources at the same time.

These people currently create one of the most important groups, because their actions prove their willingness to actively change things, and not just talk about it.

E) Non/governmental organisations and other associations

In case of non/governmental organizations, the society wants to follow the example of states where the Fair trade has already existed for several decades. In those states, some companies or towns have their Fair Trade products packed in packages with their own

logo. They then present themselves as “Fair Town” or “Fair Company”. Thus, they directly express their agreement with the idea of fair trade. For example, in its Revive coffee shops, the British Marks and Spencers serve Fair Trade coffee only, as it is the most wanted commodity there.

Geographical strategy of adopting a market attitude

In the initial phase, attention will probably be paid to bigger towns, as the impact of promotional campaigns is considerably greater there. – The chances to appeal to potential customers (e.g. students, etc.) are higher in bigger towns, as people there are used to similar publicity campaigns (e.g. in supermarkets, etc.). According to the research conducted, there is only a small difference in public awareness in various sizes of their domicile. This is caused by faster communication means such as the Internet, as well as by mobility of population.

Strategy from the point of view of market share

When determining the market share, it is necessary to consider both individual market situations and buyer's behaviour. The Fair Trade products are common consumer's goods, therefore the cost priority strategy. For Czech Fair Trade companies, however, the best strategy seems to be that of differentiation; it is the difference from the conventional products, which brings the end-consumer an additional benefit.

Companies cannot be in a strategic position with lower costs, but they can emphasize the fact that the products are certified, and that everyone involved in their manufacturing and distributing has gained a fair share of the profit.

For example, in European countries where the Fair Trade market is more developed, the coffee market share of Fair Trade coffee is up to 6%. The research conducted in the Czech Republic has proved, that 80% of the respondents who heard about Fair Trade plan to buy an Fair Trade product. It is necessary, according to the research, to improve the accessibility of these products. This result, however, cannot be expected to come true in reality; still, it can be expected that improving public awareness and Fair Trade

accessibility will create main driving force for the development of the Fair Trade market.

Strategy form the product – market relationship point of view

It is important to use the information gained from the research to set the target groups, and to develop maximum effort to reach these groups with the products. This strategy of breaking into the market is especially suitable for the initial phase of products lifecycle.

From all chosen Fair Trade strategies, it is clear that companies need to focus on awareness and promotion. In the beginnings of breaking into a market, the most important products are coffee, chocolate, cocoa powder, and tea, as they represent the chief income for the companies.

13. Conclusion

Market research dealing with public awareness concerning this alternative way of business showed that the major problem recently is that the public does not have enough information on further Fair Trade development. Unfortunately, only 31% of inquired population heard about Fair Trade. It is therefore crucial that, during the introductory period, a maximum effort should be put into publicizing and promoting of the Fair trade trademark. Most people know about bad working conditions in the Third world countries. 80% of people would appreciate if they could actively change these conditions. Further, most people are willing to pay in average 10-20% more than the usual market price for Fair Trade products. This confirms, at least in theory, the hypothesis of positive acceptance of the Fair Trade concept. The reality will show how customers are going to decide when doing their everyday shopping. Based on market analysis, segments on which Fair Trade companies should focus were selected. The main segments consists of current organic food consumers, students, travellers, development volunteers, and people interested in alternative activities (social and environmental activist, antiglobalists, volunteers, and non-profit organizations workers).

I consider the price orientation of Czech customer the most dangerous threat to Fair Trade development. On the other hand, modern way of living, connected to ways of eating, creates certain dispositions for a change in this trend, at least in part of the population.

Based on the knowledge of organic food market development in the Czech Republic, as well as the worldwide Fair Trade products development, a yearly increase of ca 30% is expected.

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- (17) <http://www.jedensvet.org>
- (18) <http://www.fairtradedecentrum.cz>
- (19) <http://explzen.cz>

15. Tables and figures

List of Tables:

1. Ethical and Fair Trade Organizations and Initiatives
2. Ethical and Fair Trade Organizations and Initiatives
3. Sales volumes of Fairtrade Coffee (in Metric Tonnes)
4. Sales volumes of Fairtrade Tea (in Metric Tonnes)
5. Fairtrade Cocoa Sales (in Metric Tonnes)
6. Sales volumes of Fairtrade Sugar (in Metric Tonnes)
7. Sales volumes of Fairtrade Rice (in Metric Tonnes)
8. Sales volumes of Fairtrade Honey (in Metric Tonnes)
9. Sales volumes of Fairtrade Bananas (in Metric Tonnes)
10. Sales volumes of Fairtrade Juices in Metric Tonnes (MT)
11. Sales volumes of Fairtrade Wine in thousands of litres
12. Sales of Fairtrade Flowers (in thousands of stems)
13. Sales of Fairtrade Certified Sports Balls (in items)
14. Specialized Fair Trade shops
15. E-shops
16. Biooshops
17. Various shops/ points of sale
18. Restaurants, cafés, tea rooms, wine shops
19. Associations & organisations

Table 1: Ethical and Fair Trade Organizations and Initiatives

Asia Fair Trade Forum (AFTF)	http://catgen.com
Consumers International (CI)	http://www.consumersinternational.org
Consumers Union Guide to Environmental Labels	http://www.eco-labels.org/home.cfm
Coop America Fair Trade Programme	http://www.coopamerica.org
Ethical Trade, U.K.	http://www.ethicaltrade.org
European Fair Trade Association (EFTA)	http://www.eftafairtrade.org
Fair Trade Association of Australia and New Zealand (FTAANZ)	http://www.fta.org.au
Fair Trade Federation (FTF)	http://www.fairtradefederation.org
Fair Trade Resource	http://fairtraderesource.org
Fair Wear, Netherlands	http://www.fairwear.nl
F I N E Collaboration	(No website-Info on members' websites: http://www.fairtrade.net/sites/news http://www.eftafairtrade.org http://www.worldshops.org http://www.ifat.org)
Global Call to Action against Poverty (GCAP)	http://www.whiteband.org
Global Exchange	http://www.globalexchange.org
Global Market Place	http://www.globalmarketplace.org
International Fair Trade Association (IFAT)	http://www.ifat.org
OXFAM International	http://www.oxfam.org/en
NEWS - the Network of European Worldshops	http://www.worldshops.org
Ten Thousand Villages	http://www.villages.ca
United Students for Fair Trade (USFT)	http://www.usft.org

Table 2: Ethical and Fair Trade Organizations and Initiatives

Fairtrade Labeling Organizations International (FLO)	http://www.fairtrade.net
Max Havelaar Foundation	http://www.maxhavelaar.nl
Rainforest Alliance	http://www.rainforest-alliance.org
Transfair USA	http://www.transfairusa.org
RUGMARK Foundation	http://www.rugmark.org
Utz Kapeh	http://www.utzkapeh.org

Table 3: Sales volumes of Fairtrade Coffee (in Metric Tonnes)

	1999	2000	2001	2002	2003	2004	2005	2006
Austria	284	300	333	409	463	519	571	747
Belgium	477	548	582	632	805	865	912	1.047
Canada	78	154	277	425	664	826	1.401	2.268
Denmark	695	742	712	655	543	550	600	733
Finland	36	91	97	109	113	120	137	284
France	270	495	950	1.386	2.357	2.784	5.342	6.175
Germany	3.332	3.098	3.129	2.942	2.834	2.981	3.278	3.908
UK	1.237	1.332	1.554	1.954	2.308	3.339	4.481	6.238
Ireland	41	55	62	60	100	126	165	304
Italy	353	399	453	243	230	225	243	260
Japan	6	7	7	10	22	55	130	147
Luxemburg	69	64	77	68	68	70	88	91
Netherlands	3.186	3.102	3.105	3.140	3.096	2.982	2.860	2.845
Norway	55	125	179	232	309	366	426	484
Sweden	218	217	254	289	294	375	520	953
Switzerland	1.429	1.382	1.306	1.246	1.514	1.462	1.487	1.535
USA	55	707	1.263	1.854	3.574	6577	11.240	23.568
Australia/NZ							99	299
Spain							13	193
TOTAL	11.821	12.818	14.340	15.654	19.294	24.222	33.994	52.077

Source: FLO International, 2006

Table 4: Sales volumes of Fairtrade Tea (in Metric Tonnes)

	2001	2002	2003	2004	2005	2006
Austria	7	8	8	8	10	14
Belgium		1	2	4	5	20
Canada	2	4	6	7	14	20
Denmark	28	22	7	11	9	6
Finland	4	5	5	7	8	11
France	12	31	52	109	181	279
Germany	169	155	157	155	155	163
UK	651	806	1.089	1.421	1.854	2.839
Ireland	1	1	11	37	53	90
Italy	38	42	10	9	10	8
Japan	12	8	9	10	7	11
Luxemburg	1	1	1	1	1	1
Netherlands	77	67	60	57	59	57
Norway	1	2	3	3	4	5
Sweden	15	17	14	12	12	18
Switzerland	41	42	37	35	35	33
USA	25	55	52	79	188	286
Australia/New Zealand					9	24
Spain						2
TOTAL	1.085	1.266	1.523	1.965	2.614	3.887

Source: FLO International, 2006

Table 5: Fairtrade Cocoa Sales Table 6: Sales volumes of Fairtrade Sugar

	2004	2005	2006
Austria	186	336	185
Belgium	120	147	296
Canada	118	231	311
Denmark	12	38	64
Finland	11	15	17
France	398	723	1.088
Germany	603	746	967
UK	1.626	2.238	2.947
Ireland	9	15	30
Italy	296	329	365
Japan		3	15
Luxemburg	29	34	37
Netherlands	177	175	224
Norway	2	8	5
Sweden	34	29	45
Switzerland	331	322	415
USA	249	251	3.864
Australia/New Zealand		20	38
Spain			39
TOTAL	4.201	5.661	10.952

	2004	2005	2006
Austria	85	235	423
Belgium	110	256	319
Canada	45	64	229
Denmark	15	6	124
Finland	19		92
France	274	619	967
Germany	21	24	93
UK	965	1.690	2.172
Ireland			29
Italy	186	282	378
Japan	2		3
Luxemburg	3	7	9
Netherlands			17
Norway			87
Sweden		1	195
Switzerland	236	322	389
USA		107	1.625
Spain			10
TOTAL	1.961	3.613	7.161

Table 7: Sales volumes of Fairtrade Rice

	2004	2005	2006
Austria	51	88	109
Belgium	39	85	112
Canada		12	14
Denmark			31
Finland			2
France	310	456	778
Germany			170
UK		27	385
Ireland			1
Italy	34	115	163
Luxemburg			6
Netherlands			53
Norway		9	3
Sweden	1		3
Switzerland	948	914	978
USA			177
Australia/New Zealand			1
TOTAL	1.383	1.704	2.985

Table 8: Sales volumes of Fairtrade Honey

	2003	2004	2005	2006
Austria		4	4	13
Belgium	83	73	63	65
Denmark		4	12	45
Finland	15	10	11	11
France	27	52	66	82
Germany	354	335	362	438
UK	101	208	296	322
Ireland				1
Italy	85	102	79	74
Japan				2
Luxemburg	2	4	4	3
Netherlands	58	51	49	64
Norway				1
Sweden			1	3
Switzerland	438	396	385	429
TOTAL	1.163	1.239	1.331	1.553

Source: FLO International, 2006

Table 9: Sales volumes of Fairtrade Bananas (in Metric Tonnes)

	2001	2002	2003	2004	2005	2006
Austria		1.775	1.827	1.913	2.804	5.810
Belgium	925	1.314	1.994	3.012	3.536	4.181
Canada				184	239	
Denmark	294	365	609	749	784	1.091
Finland	1.707	2.833	2.497	2.414	5.000	7.306
France	82	696	829	1.773	3.162	4.547
Germany	101	117	131	1.508	3.218	9.760
UK	9.701	11.426	18.182	25.970	40.685	60.276
Ireland			359	501	612	1.058
Italy	20	82	2.039	2.788	3.247	3.929
Japan						141
Luxemburg	168	178	163	203	276	281
Netherlands	2.303	1.996	2.610	2.736	3.236	3.381
Norway	33	154	302	338	835	780
Sweden	568	586	797	1.169	1.825	2.645
Switzerland	13.170	15.090	18.813	31.766	30.499	27.981
USA				3.616	3.919	2.594
Spain						1
TOTAL	29.072	36.612	51.152	80.640	103.877	135.763

Table 10: Sales volumes of Fairtrade Juices in Metric Tonnes (MT)

	2005	2006
Austria	125	214
Belgium	231	281
Denmark	89	24
Finland	98	384
France	2082	3230
Germany	183	372
UK	1059	1090
Ireland	2	3
Italy	115	143
Luxemburg	23	26
Netherlands	25	84
Norway	60	66
Sweden		
Switzerland	762	772
Total	4854	6689

	2004	2005	2006
Austria		4.52	5.39
Belgium		13.38	40.91
Denmark			26.76
Finland		1.00	62.00
France			4.10
Germany		150.00	237.00
UK	618	1,127.44	2,409.77
Ireland			1.94
Italy			4.61
Japan		1.80	1.80
Luxemburg			
Netherlands		100.99	352.00
Norway			3.86
Sweden			47.27
TOTAL	618	1,399.13	3,197.41

Table 11: Sales volumes of Fairtrade Wine in thousands of litres

Table 12: Sales of Fairtrade Flowers (in thousands of stems)

	2004	2005	2006
Austria		1.478	8.677
Belgium		1.720	3.251
Canada		6.698	15.932
France			1.622
Germany		2.906	9.475
UK	13.008	17.281	47.292
Italy			141
Japan			189
Luxemburg			1.298
Norway			1.220
Switzerland	88.601	83.450	82.595
Australia/New Zealand			1.359
Total	101.610	113.535	171.056

Table 13: Sales of Fairtrade Certified Sports Balls (in items)

	2004	2005	2006
Austria	9.640	1.580	4.293
Belgium			
Canada	1.261	2.332	2.970
Denmark			6.000
Finland	49	1.101	3.000
Germany	28.544	22.975	83.617
UK	4.409	6.625	29.850
Italy	9.300	25.275	14.952
Japan	600	500	
Luxemburg	600	756	1.983
Norway			
Sweden	2.076	3.000	2.888
Australia/New Zealand			1.359
Spain			1.500
TOTAL	56.479	64.144	152.412

Source: FLO International, 2006

Table 14: Specialized Fair Trade shops

Specialized Fair Trade shops	
Brno	NaZemi (Pekařská 16, Brno-střed) NaZemi (Joštova 7, Brno-střed) Ing. Pavel Švec - Dary přírody (Záhřebská 31) Zóna 5 (Obchodní středisko IBC, Příkop 6)
Olomouc	NaZemi (Wurmova 6, Olomouc)
Plzeň	EXCELLENT Plzeň s.r.o. (Sněženková 8, Plzeň)
Praha	NaZemi (Bělehradská 60, Praha 2) Obchůdky Jednoho Světa (Korunní 60, Praha-Vinohrady a Klimentská 18) Ekumenická akademie Praha (Sokolovská 50, Praha 8, Na Míčánkách 1, Praha 10) Fairově - Ing. Martin Kobera (Pastevců 468/19, Praha 4)
Trutnov	NaZemi Trutnov (Úpická 163)
Vrané nad Vltavou	Prodejní místo Fair Trade výrobků (Březovská 382, Vrané nad Vltavou)
Znojmo	Fair Trade obchůdek Fair Trade Centrum (Mikulášská 10, Znojmo)

Source: author-Bc. Miluše Stará

Table 15: E-shops

E-shops	
www.ftcentrum.cz	www.ecomamma.cz
www.fairove.cz	www.edenshop.cz
www.ekumakad.cz	www.ebiotop.cz
www.bioobchod.cz	www.biooo.cz
www.bharat.cz	www.biosfera.cz
www.bioapetit.cz	www.dobrykramek.cz

Source: author-Bc. Miluše Stará

Table 16: Biooshops

Biooshops	
Brno	LUMO natur (Ve Vaňkovce 1, Brno) Asanka (Vachova 4, Brno) Bioapetit (Dačického 16, Brno) Naturka (Koliště 5 a Veveří 21) Zdravá výživa U Měnínské brány (Orlí 20) Pí Centrum - (Lidická 38 a Nováčkova 58, Brno - Husovice) Zdravý život (Lidická 26) Zlatý klíček (Jaselská 191/8)
Boskovice	Namaste (Bezručova 12, Boskovice, 680 01)
Břeclav	Najáda (Fintajsova 5, Břeclav)
České Budějovice	Slunečnice (Chelčického 21, Č.Budějovice) Pí centrum (Panská 1, České Budějovice)
Dačice	Bellis (B. Smetany 206, Dačice)
Dvůr Králové	BIOOBCHOD.CZ - Švehlova 48-49
Františkovy Lázně	Zdraví z přírody (Anglická 15)
Frydek-Místek	Prodejna zdravé výživy , Dobrá 230
Havířov	Prodejna zdravé výživy , nám. Republiky 4
Havlíčkův Brod	Raciolka (Pod Radnicí 3181, Havlíčkův Brod)
Hodonín	B.M.T.L. s.r.o (Národní třída 48, Hodonín)
Hradec Králové	Bazalka (Gočárova 516) BIOOBCHOD.CZ - (Chelčického 280)
Jaroměř	BIOOBCHOD.CZ - Náměstí ČSA 38
Jihlava	NATURAL CENTRUM (Lípová 7)
Jindřichův Hradec	Zdravá výživa (Pražská 99)
Kladno	Domek Zdraví (Nám.starosty Pavla č.5)
Kroměříž	Anna Lukšová (Velké nám. 40, Kroměříž)
Kyjov	Zdravíčko (Masarykovo nám. 37)
Liberec	JAS - Zdravá výživa (Zámečnická 62) Zdravíčko (Barviřská 33) U filantropa (Růžová 9, Liberec)
Litoměřice	Vitálka (Velká Dominikánská 6)
Mladá Boleslav	Zdravá výživa , Jaselská 607, Mladá Boleslav
Mníšek pod Brdy	MNÍŠEK (Čisovická 21, Mníšek pod Brdy)
Olomouc	Pí-centrum (Mlýnská 2) Zelené zdraví (Havlíčková 7)
Ostrava	Obchůdek Malého Občanského Sdružení Tolerance (Poděbradova 97a, Ostrava) Zdravá výživa (Nádražní 36)
Plzeň	HerBio (V Šípce 653/8) Bio stezka (Kardinála Berana 24) Relax (Bolevecká náves č. 7, Plzeň) Centrum zdraví (Slovanská třída 25)

	Bylinná lékárna (Tylova 4, Plzeň)
Praha	Greenwave (Purkyňova 6, Praha 1) Bio Market Vítek (Vinohradská 53, Praha 2) Albio s.r.o. (Truhlářská 20, Praha 1) Albio Obchody s.r.o. (Dejvická 26, Praha 6) Albio Obchody s.r.o. (Nám. 14. října 17, Praha 5) ALAFIA Prodejna zdravé výživy a přírodní kosmetiky (Táboritská 15, Praha 3) BIO Krámek (Hoegerova 811, Praha 5) Biooo, OC Palladium (Nám. Republiky 1, Praha 1) Biotop (Školská 34, Praha 1) Farah (Myslíkova 5, Praha 1) Nitai (Soukenická 2060/27, Praha 1) Biotrend , Štěpánská 11, Praha 2 JRSK-zdravá výživa (Koněvova 1703/132, Praha 3) Café Žirafa Praha 6 Biomarket (Mostecká 3, Praha 1) Bioprodejna BIOTOP (Školská 1384/34, Praha 1) Country Life s.r.o. (Čs. Armády 30, Bělohorská 90, Jungmannova 1, Melantrichova 15) Eva Semotánová - Rozmarýna-bio potraviny (Nádražní 17, Praha 5) Jas - prodejna zdravé výživy (K Lánu 6, Praha 6) Lékárna Chrupa (Krejnická 2021, Praha 4) Máta (Vodičkova 40; stanice Můstek) Sluníčko (Zengrova 18, Wüchterlova 14, Praha 6) Ing. arch. Lenka Baldová (Sázavská 23)
Rokycany	Trhovka (Přemyslova 650)
Slatiňany	Biojarmark (Palackého 303)
Střílky	Bharat (areál zámku)
Tábor	RACIO (Fügnerova 822, Tábor)
Teplice	Zdravý obchůdek U Slavíka (Masarykova 46, Teplice)
Trutnov	BIOOBCHOD.CZ (Jihoslovanská 29)
Turnov	Zdravíčko (Hluboká 284)
Třebíč	Modrá vlnka (Karlovo nám. 13, Třebíč)
Žďár nad Sázavou	Obchod na faře (Sněžné 60)

Source: author-Bc. Miluše Stará

Table 17: Various shops/ points of sale

Various shops/ points of sale	
Brno	Čokoládovna Pralines s.r.o. (Josefská 2, Brno) Brněnka-Konzumka (Bayerova 15, Jílkova 90, Klímova 18, Řezáčova 15) Brněnka-Pramen (Cihlářská 24/26, Libušina třída 23, Náměstí míru 1, Jiráskova čtvrt', Purkyňova 45, Slovinská 21, Vaňkovo náměstí) Večerka (Gorkého 16)
Česká Lípa	Svět kuchyně (Mariánská 531, Česká Lípa)
Česká Třebová	Květinářství Petr Freudl (Staré náměstí 14, Č. Třebová)
Hradec Králové	Cukrářství u Rudolfa (Tomkova 188)
Litoměřice	Hospic sv. Štěpána, o.s. (Rybářské nám. 662/4)
Mladá Boleslav	Coral Café (Železná 47)
Pardubice	Divadlo 29, Sv.Anežky České 29 , Pardubice
Plzeň	SERAF - obchod pro radost (Rooseveltova 15; ve dvoře, Plzeň) Fitness Centrum Bolevec (Vondruškova 1, Plzeň)
Praha	Čaj a káva Vorel (Václavská pasáž, Karlovo nám., Praha 2, Obchodní Centrum Letňany, OC Eden, Praha 10, OC Nové Butovice, Praha 5, Stodůlky, Praha 5, Tesco Národní, Praha 1) Menza ČZU (Kamýcká, Praha 6) Balící služba (NC Chodov, Praha 4) Rybanaruby (Mánesova 87, Praha 2) IGEL (Haškova 5, Praha 7) Muzeum čokoládových obrazů (Týnská 10, Praha 1) Diana International Food (Vocelova 12, Praha 2) Jája (Jaromírova 25, Praha 2) Lahůdky Jadranka (nám. Jiřího z Poděbrad, Praha 2) Péče o tělo (Na hrobcí 1, Praha 2) Pekařství Koruní 4, Praha 2)
	Power Yoga Akademie, s.r.o. - Energy studio (Fügnerovo náměstí 5, Praha 2)
Přerov	Knihanka (Dvořákova 3, Přerov)
Šumperk	Domeček (Krátká 1)
Trutnov	Kafírna Volk-Veskovi Trutnov (Spojenecká 1)
Other shops	Officedepot DM drogerie Vileda shops

Source: author-Bc. Miluše Stará

Table 18: Restaurants, cafés, tea rooms, wine shops

Restaurants, cafés, tea rooms, wine shops	
Brno	<p>Café Práh (Kulturní centrum Slévárna, Ve Vaňkovce 1, Brno) Kavárna Trojka (Dům pánů z Kunštátu, Dominikánská 9, Brno) Clubwash (Stará 27, Brno) Klub Desert (Roosveltova 11, Brno) Etno Café (Budova Etnografického ústavu, Koblišná 1 Brno) N-Klub (Metodějova 4, Brno) Restaurace Průmyslovka (Jana Uhra 1, Brno) Klub Mýdlo (Traubova 3, Brno) Kavárna ART (Cihlářská 19) Kavárna U Rubínu a.s. (Makovského nám. 2) Krmítko (Jaselská 10 a Gorkého 7) Café Revive, MARKS & SPENCER (Olympia Brno, U Dálnice 777, Brno) Rebio (Orlí 26) Koros s.r.o. (roh Botanické a Zahradníkové ul.)</p>
České Budějovice	<p>Čajírna a kafírna (U Tří lvů 4, České Budějovice) Kavárna na půl cesty (Nová ulice 3, České Budějovice) Café Revive, MARKS & SPENCER (Hradební 7, České Budějovice)</p>
Domažlice	Vinotéka pod Hradem (Hruškova 87, Domažlice)
Frýdek-Místek	Etno-vegetariánská restaurace (Farní 16 - na náměstí)
Hlinsko v Čechách	Čajovna u pana Oldy (Betlém 63)
Holešov	Vegetariánská jídelna (Masarykova 635, Holešov)
Hradec Králové	Sluneční čajovna (Velké náměstí 1)
Karlovy Vary	Café Revive, MARKS & SPENCER (OC Varyáda, Kpt. Jaroše 375/31, Karlovy Vary)
Nepomuk	COFFEE-SHOP - Fair Trade káva, restaurant & club (nám. A. Němejce 149, Nepomuk)
Ostrava	Čajovna u Sýkorova Mostu (28.října 2, Ostrava)
Plzeň	CrossCafe (Jungmannova 5, Solní 21, Galerie Dvořák Západočeská univerzita v Plzni (Univerzitní 8)
Praha	<p>Bio café (Na Příkopě 31, Praha 1, Americká 8, Praha 2, Nádražní 25, Praha 5, Šestka, Praha 6) Kavárna Kumbál (Heřmanova 12, Praha 7) Café Revive, MARKS & SPENCER (Václavské nám. 36, Praha 1) Café Revive, MARKS & SPENCER (Centrum Chodov, Roztylská 2321/19, Praha 5) Café Revive, MARKS & SPENCER (OC Letňany, Veselská 663, Praha 9) Café Revive, MARKS & SPENCER (OC Nový Smíchov, Plzeňská 8, Praha 5) Café Revive, MARKS & SPENCER (OC Metropole Zličín, Řevnická 1, Praha 1) Kaaba (Mánesova 20, Praha 2) Mu kafe (Mánesova 87, Praha 2)</p>

Praha	Čajírna nad vokem (U božích bojovníků 3, Praha 3) Kavárna 3+1 (Plaská 6, Praha 5) Café Na půl cesty (Centrální park Pankrác, Praha 4) Čaj a káva Vorel (Nákupní galerie Nové Butovice, Praha 5) RybaNaruby (Mánesova 87, Praha 2 Vinohrady) Lifefood Fresh&Bio Bar (Vinohradská, palác Flora) Klub Proměna , Příčná 13/668, Praha 1 U Tří růží (Soukenická 21)
Prachatice	Čajovna "U hrušky" (Velké náměstí 44)
Trutnov	Kafírna Volk-Veskovi Trutnov (Spojenecká 1)
Soběslav	Čajovna-kavána Rolnička (Bezděkova 122)
Ústí nad Labem	Jasmína (Lidické náměstí 7)

Source: author-Bc. Miluše Stará

Table 19: Associations & organisations

Associations & organisations	
Brno	Ekologická poradna Veronica (Panská 9, Brno) Společnost pro Fair Trade a rozvojové vzdělávání o.s. (Grohova 40; Brno) Poradenské Středisko Rozvoje Osobnosti (Náhorní 13, Brno)
Český Krumlov	Ekocentrum Šípek (Třída Míru č. 144, 381 01 Český Krumlov)
Děčín	Zelená pro planetu, o.s. (Kamenicka 934, 100)
Kostecké Horky	Modrý dům (Kostecké Horky 25, 517 41 pošta Kostelec nad Orlicí)
Libosváry	ZO Českého svazu ochránců přírody (Libosváry 19)
Litvínov	VARA ČR (Roosveltova 21/32, Litvínov)
Mikulov	Ekologická poradna CEV Pálava (Náměstí 32, Mikulov)
Okříšky	Chaloupky o.p.s. (Kněžice 109, 675 21 Okříšky)
Olomouc	Ekoporadna Hnutí Duha (Dolní náměstí 38, Olomouc)
Plzeň	EXCELLENT Plzeň s.r.o. (Sněženková 8, Plzeň)
Praha	Polí pět (Dittrichova 13, Praha 2) Ekumenická akademie Praha o.s. (Na Míčánkách 1, Praha 10) Obchůdek jednoho světa (Korunní 60; Praha 2) Samuel, Biblická práce pro děti (Starodejvická 8, Praha 6) INEX-SDA (kancelář; Senovážné náměstí 24, Praha 1) Obec křesťanů (Na Špejcharu 3, Praha 7) Arcidiecézní charita Praha (Londýnská 44, Praha 2) INEX-SDA (Senovážné náměstí 24, Praha 1)
Rumburk	Dokořán Rumburk o.s. (Krásnolipská 540/22)
Tišnov	Ekoporadna Tišnovsko (Náměstí 28. října 28, Tišnov)
Ústí nad Labem	Přátelé přírody, o.p.s. (V Podhájí 217/35)
Vlašim	ČSO- obchůdek v Podblanickém Ekocentru (Pláteníkova 264)
Zlín	ZO ČSOP Ekocentrum Čtyřlístek (třída T. Bati, Zlín)
Znojmo	Fair Trade Centrum s.r.o. (Obroková 4/6, Znojmo)
Žďár nad Sázavou	Ekologické informační centrum (Krátká u Sněžného č. 12)

Source: author-Bc. Miluše Stará

16. MAPS

List of Maps:

1. Supermarkets selling Fair Trade products (october 2005)
2. Turnover importing organisations in 000 EUR (october 2005)
3. Number of workshops (october 2005)
4. Turnover Worldshops in 000 EUR (october 2005)
5. Retail value Labelling organisations in 000 EUR (october 2005)
6. Paid staff in Fair Trade organisations (Full-time equivalents-october 2005)
7. Nubmer of licences (october 2005)
8. Expenditures on PR, education and marketing in 000 EUR (october 2005)

Map 1: Supermarkets selling Fair Trade products (october 2005)

NOTES

- Portugal, Spain, Sweden: figures not available
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade just about to start there.



Source: Fair Trade in Europe 2005

Map 2: Turnover importing organisations in 000 EUR (october 2005)

NOTES

- Luxembourg: direct imports by Worldshops
- Norway: 0
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade just about to start there.



Source: Fair Trade in Europe 2005

Map 3: Number of workshops (october 2005)

NOTES

- Norway:0
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade just about to start there.



Source: Fair Trade in Europe 2005

Map 4: Turnover Worldshops in 000 EUR (october 2005)

NOTES

- Italy: figures not available
- Norway:0
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade is just about to start there.



Source: Fair Trade in Europe 2005

Map 5: Retail value Labelling organisations in 000 EUR (october 2005)

NOTES

- Portugal, Spain: not applicable
- Norway:0
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade just about to start there.



Source: Fair Trade in Europe 2005

**Map 6:
Paid staff in Fair Trade organisations (Full-time equivalents-october 2005)**

NOTES

- Staff employed in individual Worldshops not included
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade just about to start there.

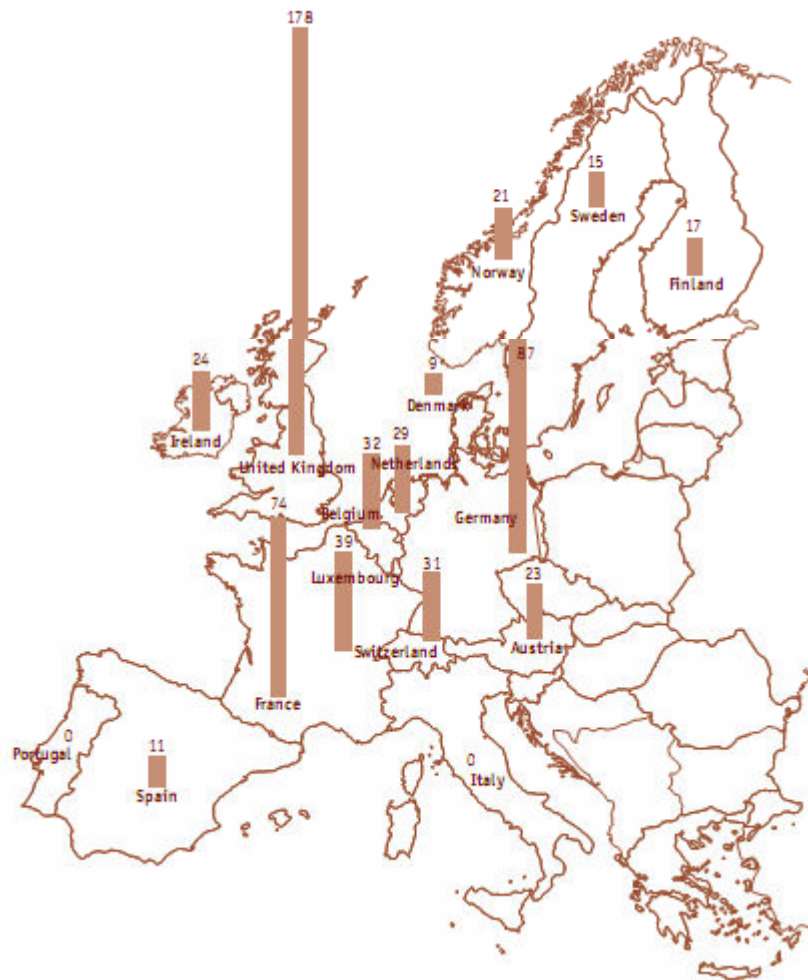


Source: Fair Trade in Europe 2005

Map 7: Nubmer of licences (october 2005)

NOTES

- Italy: not available
- Portugal: not applicable
- Norway:0
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Tr s Fair Trade just about to start there.



Source: Fair Trade in Europe 2005

**Map 8:
Expenditures on PR, education and marketing in 000 EUR (october 2005)**

NOTES

- Italy: not available
- Portugal: not applicable
- Norway:0
- For the 9 countries not listed in the table (CZ, GR, HU, LV, LT, MT, PL, SK and SL) figures are not yet available as Fair Trade is just about to start there.



Source: Fair Trade in Europe 2005

17. Appendices

Appendix 1. Questionnaire

Děkuji za čas, který strávíte vyplněním následujícího dotazníku. Vyplňování by vám nemělo zabrat více než 5 minut.

Fair Trade je obchodní partnerství, jehož cílem je přímá a účinná podpora znevýhodněných výrobců z rozvojových zemí. Toho se snaží docílit především poskytováním "férových" obchodních podmínek pro zapojené výrobce, důrazem na dodržování základních norem pracovního práva a ochrany životního prostředí a zvyšováním informovanosti spotřebitelů o situaci malých zemědělců a řemeslníků v rozvojových zemích.

Bc. Miluše Stará

U otázek č. 3 a 7 je možnost označení více možných odpovědí.

1. Už jste někdy slyšeli pojem „Fair Trade“?

ANO

NE

2. Víte, co znamená když je výrobek označen za FAIR TRADE produkt?

ANO

NE

3. Kde jste se o „Fair Trade“ doslechli?

V obchodě

Od přátel

Z tisku, médií

Ještě neslyšel

Workshop

4. Víte o tom, že při pěstování, produkci a výrobě v zemích tzv. třetího světa nejsou často dodržována ani základní lidská práva?

ANO

NE

5. Uvítali byste možnost, kdybyste svým vlastním rozhodnutím mohli tyto podmínky měnit k lepšímu?

Rozhodně ne

Ne

Nevím

Ano

Rozhodně ano

6. Zakoupili jste někdy Fair Trade výrobek?

ANO

NE

7. Co Vám brání k nákupu Fair Trade výrobku?

Nic
Vyšší cena
Nedostupnost výrobku
Špatná informovanost

8. Byli byste ochotni zaplatit o něco vyšší cenu za tyto výrobky?

Rozhodně ne
Spíše ne
Nevím
Spíše ano
Rozhodně ano

9. O jak vyšší cenu byste byli ochotni zaplatit za tyto výrobky?

0%
10%
20%
30%
40%

10. V případě zlepšení dostupnosti byste tyto výrobky kupovali?

Ano
Ne
Nevím
Dle ceny

11. Pohlaví

Muž
Žena

12. Věková kategorie

Do 20 let
21 – 30
31 – 40
41 – 50
51 a více let

13. Nejvyšší Vámi dosažené vzdělání

Základní
Vyučen
Střední odborné
Vyšší odborné
Vysokoškolské

14. Do jaké kategorie spadá Vaše zaměstnání

Nezaměstnán či v penzi

Studující

Studující a pracující

Na mateřské dovolené

Zaměstnanec

OSVČ (podnikatel)

15. Váš měsíční čistý příjem

Do 10.000,-Kč

10.001 – 15.000,-Kč

15.001 – 25.000,-Kč

25.001 – 40.000,-Kč

40.001,-Kč a víc

16. Kde žijete, velikost města?

Do 10.000 obyvatel

10.001 – 30.000 obyvatel

30.001 – 100.000 obyvatel

100.001 – 500.000 obyvatel

500.001 a více obyvatel

