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Fair Trade for Whom?  
Certification and the Craft Industry  
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## **Fair Trade for Whom? Certification and the Craft Industry**

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## **Abstract**

*This paper draws from a thesis submitted to Kimmage Development Studies Centre, Dublin as one of the requirements for the Masters degree in Development Studies. The research examined the perceptions of craft producers of the impact that Fair Trade certification has had on their organisations. Fair Trade originated with the sale of craft products, but since the emergence of the Fair Trade labeling and certifying organisations, craft has become overshadowed by commodities in trade, literature and studies.*

*A study of three craft organisations in The Kingdom of Swaziland certified for between five to seven years was conducted and the motivations, outcomes and perceptions of Fair Trade certification explored. The findings, following a qualitative research approach, indicate beneficial impacts for the organisations, their employees and producers. These include increased market access, participation and increased HIV awareness. There is no evidence of positive impact on worker earnings. The organisations receive no price premium and findings indicate that Fair Trade retailers, whom certification allows access to, frequently require discounts, reducing producer margins. Key obstacles to greater benefits in relation to producer earnings are the current 'charity' approach of Fair Trade retailers that result in craft being sold as 'cheap pity buys' and the burden of certification costs being borne by producer organisations. A unified approach by the Fair Trade movement to marketing the Fair Trade brand and a repositioning of the Fair Trade retailer image is recommended.*

**Keywords:** *Fair Trade, Certification, Craft Industry, Market Access, Participation, Worker Earnings*

## **Glossary of Abbreviations:**

<b>ATO</b>	Alternative Trade Organisations
<b>DACST</b>	Department of Arts, Culture, Science and Technology (South Africa)
<b>EFTA</b>	European Fair Trade Association
<b>FLO</b>	Fair Trade Labeling Organisation
<b>FT</b>	Fair Trade
<b>HIV</b>	Human Immunodeficiency Virus
<b>IFAT</b>	International Federation for Alternative Trade
<b>ILO</b>	International Labour Organisation
<b>NEWS</b>	Network of European World Shops
<b>WTFO</b>	World Fair Trade Organisation

## 1.1 Introduction

The global Fair Trade (FT) movement was established over fifty years ago to bring about positive developmental change through the trade industry and has played an important role in raising awareness around trade injustice. The recent intensification to include craft organisations in Africa into FT labelling structures has raised questions within the sector as to whether this is necessary and desirable. Consumer perception when buying a FT product is that the producer receives a price premium. Research findings indicate that this is not the case in the craft sector. This paper argues that the key obstacles to positive impact of certification on producer incomes are the current ‘charity’ approach of FT retailers, which results in retailers pressuring producers for discounts, and the high costs of certification.

The WFTO (World Fair Trade Organisation) ten standards provide an important framework for organisational monitoring which “*helps identify the gaps*” within the organisational operations, revealing areas for improvement. Adherence to the framework was found to have positive impacts on producers and employees within producer organisations. These positive impacts include increased worker participation and increased training in HIV awareness. While certification was seen to have increased market access, it was found that some FT retailers also buy from non-certified producers. The two pronged approach to marketing and FT brand positioning by the FLO (Fair Trade Labeling Organisation) and WFTO creates consumer confusion and weakens the FT brand. Certainly, WFTO needs to address the fact that there is no positive impact on producer earnings and emphasise the benefits to producers of increased participation, training and networking.

The impact of FT certification on certified craft organisations was ascertained by identifying motivations, expectations and processes involved in certifying; assessing the outcomes resulting from certification and exploring perceptions within the certified organisations of FT and the surrounding debates.

## **2. Theoretical Framework**

### **2.1 The Fair Trade Movement**

The global FT movement was established over fifty years ago to bring about positive developmental change through the trade industry. After World War II, church groups began to sell craft from war ravaged countries of Eastern Europe which expanded to disadvantaged communities in the South, based on principles of solidarity, social justice and equity in commercial relations (Raynolds and Murray, 2007). It is a concept that has developed over time, central to which is the promotion of opportunities for disadvantaged producers of the South by: improving market access, paying a premium on the price, pre-payment, encouraging long-term buyer-producer relationships and protecting human rights by “promoting social justice, sound environmental practices and economic security” (Redfern and Snedker, 2002, p.11). Another key aspect of the FT movement is the role it plays in raising awareness of predominantly Northern consumers of the “negative effects on producers of international trade so that they exercise their purchasing power positively” (Moore, 2004, p.74). In addition to the role it plays in positively impacting on producers and consumers, Renard identifies it as a “tool for modifying the dominant economic model” (2005, p.91) while recognising the tension this creates by operating “simultaneously inside and outside the market” (ibid).

According to Fridell “fair traders aspired to create a parallel trading system that would open alternative markets for Southern products” (2004, p.416). Alternative Trade Organisations (ATOs) were created which “initiated the import and sale of fair trade handcrafts through mail order and church solidarity groups” (ibid) and retail stores. The success and steady growth of the network lead to the inclusion of coffee into FT markets in the late 1970s. The inclusion of commodities such as coffee, which are susceptible to price fluctuation unlike handcrafts, meant mechanisms were required to protect producers from the whims of the market. This marked both the rapid growth of and a shift in the network as the turnover of coffee soon exceeded that of handcrafts (Fridell, 2004).

Barratt Brown (1993) claims the FT network was key to confronting underdevelopment in the South but as a parallel trading network that presents itself as a distinct alternative to the existing global market. Fridell points out that in contrast to his vision, “over the past two decades, fair traders have moved increasingly toward attempting to reform the existing trade system rather than forging an alternative to it” (2004, p.418). The emergence of FT labeling organisations further facilitated the merging of FT into mainstream retail, weakening the vision of an alternative system.

In many ways the tensions evident in the FT movement around market versus movement are reflected in those of North versus South. According to Wilkinson and Mascarenhas “initiatives in the Global South have shaped demands for the adaptation of the Fair Trade movement to Southern needs” (2007, p.131). While it might be said that the movement was always focused on Southern needs, they articulate “the emergence of a global Fair Trade movement in which Southern actors are no longer reduced to the role of beneficiaries but assume the status of autonomous partners” (2007, p.135). They claim there is increasing evidence of Southern actors building networks and alternatives to Northern markets. They ascertain that FT needs to examine new opportunities such as developing Southern markets and to address the lack of Southern participation in the strategic development of FT.

## **2.2 Fair Trade Structures and Certification**

The goal of creating an alternative trade network constrained the growth of the FT market for commodities such as coffee as it could not provide the sales that the Southern coffee producers required in order to survive. In 1988 an independent labeling initiative Max Havelaar promoted a FT label to importers whose coffee met certain standards in exchange for a certification fee (Ryan, 2011). The labeling movement spread quickly into National Initiatives that came together in 1997 under the umbrella body of the Fair Trade Labelling Organisation. FLO has strict labour standards based on the International Labour Organisation and FLO-certified goods, the majority of which are commodities, are exchanged “under the terms of a minimum guaranteed price and include ‘social

premiums' paid by the buyer to producer communities for the development of social and physical infrastructure" (Fridell, 2004, p.419). Handcrafts do not fall into FLO's product range.

The International Federation for Alternative Trade (IFAT) was formed in 1989 and changed its name to the World Fair Trade Organisation (WFTO) in 2009 (perhaps indicative of the fact that it was no longer alternative). It is with this organisation that craft organisations have traditionally worked. The formation of IFAT was followed in 1990 by the establishment of the European Fair Trade Association (EFTA), currently made up of 10 of the largest FT importers from nine European countries and in 1994 by the Network of European World Shops (NEWS), an association of 2500 shops in 13 countries. Fridell (2004) points out that IFAT, EFTA and NEWS have had a different focus to that of FLO. "Whereas FLO's main objective has been to gain the participation of conventional corporations in the network, IFAT, EFTA and NEWS have focused on enhancing the marketing skills and efficiency of existing fair trade ATOs so that that they are better able to compete against conventional corporations" (2004, p.421). WFTO claims to be "the representative of organisations that are 100% committed to Fair Trade, the authentic voice of Fair Trade and the guardian of its values" (WFTO, no date, no page).

WFTO launched their certification in 2004 having developed 10 standards which members must adhere to. These standards are concerned with: reaching the economically disadvantaged, transparency and accountability, capacity building, fair trading practice, improving the situation of women, child labour, working conditions, the environment, promoting FT and the payment of a fair price (WFTO, no date). Certification guarantees that standards are being implemented which is verified by self-assessment, mutual reviews and external audits. When an organisation has met all of its monitoring obligations, it becomes a registered member and entitled to use the WFTO logo on its promotional literature. It is then obliged to pay 1% of the organisation's turnover to the WFTO.

Given the complexity of the movement, networks and labelling organisations, it is hardly surprising that when McDowall et al conducted research across craft organisations in South Africa “it became clear that in every case, workers ... had no initial concept of Fair Trade or what it meant for them as workers” (2011, p.152). Kruger and du Toit had similar findings (2007) as did LeMare (2004) who found producers to have a limited understanding of the principles of FT. This was confirmed in the research conducted.

### **2.3 Fair Trade and Craft Organisations**

The organisational structure of craft producers may vary from individual crafters at a household level, cooperatives, member groups, ‘not for profit’ NGOs to ‘for profit’ private enterprises. Household producers may be a part of a cooperative, be subcontracted out by enterprises, be employed and sometimes have shares in the company. Craft organisations may be grouped around a particular skill set or craft or incorporate a variety of different trades. Others are gender focused and some are made up of individuals with similar disabilities such as people living with HIV. Nicholls and Opal (2005) note that because FT products are sold in Northern markets, it is to be expected that only those that can produce export quality can participate which might exclude the poor and marginalised producers.

According to the South African Craft Industry Report, “research has established that women dominate the craft industry” (DACST, 1998). The sector provides employment to vulnerable segments of society and is an entry point into the economy where skills can be developed. Most craft businesses are classified as micro, small, or medium enterprises which are important for job creation and the economy. Hnatow notes that “artisans have been identified as the second largest sector of rural employment after agriculture in many regions of the world” (2009, p.1). Working in crafts has many distinct advantages: minimal start-up capital, flexible work hours, the ability to work at home, and freedom to manage one’s own business.

McDowall et al (2011) point out that craft certification has not developed in the same way as the commodity sector “what regulation exists does not certify ‘products’ but rather the enterprises that either oversee the assembly of the final product or buy directly from the producers” (2011, p.145). Arriving at a floor price for crafts like they do with commodities is near impossible as designs and inputs change regularly, as do the costs of production, labour and materials. The authors criticise the scope of WFTO standards for not covering the informal sector workers into which many independent producers would fall who then sell their products to craft enterprises. “In failing to define and include casual, flexible, contingent and informal workers, the invisibility of these workers in Fair Trade chains is encouraged and perpetuated” (2011, p.148). They also claim that the standards fall short of ensuring a fair wage, which is not the same as paying a fair price for a product. Brockett points out that “the handcraft sector is complicated, with many different products and production processes, and with no obvious benchmarks for wages or prices such as exists in commodity production” (2006, p.154).

Crafters have traditionally been independent producers and McDowall et al (2011) raise questions about how the different types of interaction between enterprise and producers affect their ability to participate or negotiate wages and conditions. They point out that power imbalances exist which make it difficult to voice ones unhappiness and that “craft is not generally a highly unionized sector because craft work has traditionally taken place in the informal economy” (2011, p.148). All workers and producers in the research conducted were asked if they were a member of a workers union and all responded in the negative.

Kruger and du Toit (2007) question the dominance of Northern stakeholders when it comes to certification which controls entry into the network, standards setting and the movement in general. Renard (2005) notes that the institutionalisation of the principles of FT grants considerable power to those controlling who have access to FT markets. The monitoring involved after certification applies to Southern producers and not Northern retailers so there is no control over how the producer proportionately benefits. Nicholls

and Opal claim that FT needs to “develop a more effective and transparent approach to governance that both demonstrates and operationalises its accountability to all its stakeholders” (2005, p.249).

#### **2.4 Fair Trade Retailers**

Littrell and Dickson (1999) study Alternative Trade Organisations (ATOs) retailing FT crafts and find that they do not only buy from FT certified producers, and that “beyond providing cash for the immediate order and some feedback to artisans on sale figures and quality issues, ATOs did little more to invest in long-term artisan development” (1999, p.292).

According to Brockett, “access to markets and consistent orders are clearly the key element for Southern producers and the one they value above all else” (2006, p.145). He claims that the focus on marketing and market access is the key contribution that FT makes in broader development and cites Knocken (2002) who notes that it “maybe better to give up the image of paying a fair price, particularly for handcrafts. It would be closer to reality to say that Fair Trade pays the maximum amount that is feasible on the market” (ibid).

Hutchens identifies a key obstacle to positive impacts of FT on producers: “fair trade’s ‘charity’ approach to the craft sector” (2010, p.449). She claims that many ATOs only work with handcraft because the producer groups are the poorest and are women and that while “contentious in developmental terms, Fair Trader’s charity model is also problematic commercially” (2010, p.455). She maintains that the success of FLO products was due to repositioning their image from ‘ethically driven’ to ‘premium quality’ and that the ATOs importing and selling craft and textiles “did not reposition themselves in a similar fashion” (ibid) and that the commercial limitations of the ATOs “tend not to be considered from a producer perspective” (ibid). Nicholls and Opal claim there is a “huge market opportunity in rethinking the development and distribution patterns of handcrafts” (2005, p.236) and in applying the FT mark to products. They

claim that new distribution networks need to be created in partnership with sympathetic private sector businesses.

### **3. The Research Process**

The research conducted set out to uncover the impact that becoming FT certified has had on the certified craft organisations, and the people who work for them. It set out to identify direct, measurable and identifiable outcomes as well as indirect and institutional ones which were gauged by perceptions of impact of certification and the FT movement. The overall approach to this piece of research is located in the phenomenology paradigm wherein “what is important is reality as people perceive, experience, and interpret it” (Kane and O’Reilly de Brun, 2001, p.33). The researchers’ task is to make sense of these constructions and interpret them, with the recognition that the researcher is subjective. Within this interpretive framework the research I conducted was qualitative.

The main data collection method employed was semi-structured interviews which were supplemented by a basic questionnaire, secondary data collection and observation. The sampling strategy chosen was non-probability sampling. In this method of sampling, samples are chosen for their appropriateness in exploring an area and while the chosen sample is valid, it does not claim representativeness (Robson, 2002).

A managing director from each of the organisations was interviewed as they were considered the best informed of the organisational overview aspects. The key informants were asked to identify others to interview within their organisations at middle management and producer levels, to gauge perceptions of impact throughout the organisational structure. They were also keen to establish the range of perceptions within the organisations. I had originally planned to interview one middle manager and one producer from each organisation but due to the rich and nuanced data emerging, I interviewed two people at each level in order to establish whether different view points

emerged. I also had the opportunity to interview several other people who had insights into FT and its impact on craft organisations.

The main data gathering method used was semi-structured interviews. In choosing three different organisations and three levels of employees within them, there is a degree of triangulation in the information collected. Mikkelsen states that a researcher choosing to triangulate uses “a variety of sources ... to verify and substantiate an assessment; to cross check and validate data and information to limit bias” (2005, p.349).

#### **4. Findings and Analysis**

Overall, the features of the organisations’ relationship with the FT retailers that appear to impact in a positive manner are those associated with the long-term relationship, prepayment of orders, feedback and some financial funding from the network. The lack of price premium results in no positive impact on producer earnings but sales to FT retailers does increase market access and most importantly, preserves jobs. The findings suggest that craft organisations have access to the FT market without becoming certified, which would appear to reduce the attractiveness of certification. Yet the certified organisations are encouraging other craft organisations to join the national FT network, which suggests a perception of real benefits from certification. Non-payment of a premium appears not to negate the other perceived benefits from certification that motivate organisations to become certified.

##### **4.1 Craft Organisations**

A strong motive for becoming certified that emerged in the findings of the research was to expand market access. A second was the perception that the organisations were already following FT principles and would therefore have minimum changes to make. All three respondents considered their organisations to be enterprises with a social mission. Market access facilitation and price premium were unfulfilled expectations. *“We thought we would get a better price as well as the market access but this was not the case”*. A trade

economist interviewed notes *“if there is no payment of a premium, Fair Trade is a disaster”*. The findings show that not only is no premium paid but also that some FT retailer customers use their bargaining power to negotiate discounts which reduce margins. Others pay the wholesale price, which is what the organisations consider to be a fair price.

The answers to the questions surrounding the impact of certification on earnings at management level indicate that increased orders as a result of certification benefit the producers because there is more work available. *“I think the main thing it has done is preserve jobs”*. Without the FT retailers *“we would have less workers, but because we are not getting a great price from them it doesn’t benefit the workers in monetary terms”*.

That certification has not impacted on earnings is borne out by the responses of managers as well as producers and employees. This is contrary to Nicholls’ claim *“that every study found income to be higher for producers selling to the Fair Trade market”* (2008, p.205). Ruben et al (2009) and Paul (2005) suggest the long-term relationship and assured market outlet are more relevant features of FT than the price advantage but this is problematic as consumer perception is that there is a price advantage.

McDowall et al (2011) question how the power imbalances affect the producers’ ability to negotiate wages, or a fair price for their product, with the enterprises that purchase them. While increased participation, a clear outcome in the findings, would suggest a forum in which to raise the issue of a fair wage, the power imbalance and prospect of losing their job can make it difficult to voice ones unhappiness.

Raising the issue of how to increase producer earnings, it became clear that many women could not work more than they already did. Hutchens raised the issue that home work can *“exacerbate women’s heavy work load”* (2010, p.452). Low margins limit the scope for increasing pay, which leaves increasing the hours worked, or the value added. Different products that have a higher perceived value with the same amount of work could be

considered but it comes down to the point Hutchens (2010) makes about the ‘charity’ approach of FT retailers to the craft sector. That the failure of FT retailers to reposition themselves as ‘premium quality’ outlets, as Nicholls and Opal (2005) describe, causes them to pressure their suppliers on the price, further reducing margins.

That the organisations do not receive a price premium from FT retailers, and are often paid a lower price by them, are two important findings not found in the literature reviewed. They are important, as they could explain why there is no positive impact of certification on producer earnings.

#### **4.2 Retailers**

The producer organisations value the long term relationship that FT retailers are committed to. *“Obviously if the things don’t sell at all they are not obliged to [repeat the order], but there is an understanding of a long term relationship and I think that is an enormous benefit”*. However, there were doubts as to whether those relationships only existed because of certification *“I don’t think they would have worried about whether we were registered or not”*. Some FT retailers required an organisation to undergo an extensive application process to become a supplier *“so if the Fair Trade certification was so impressive, why would we have had to go through that whole process?”* Market information in the form of feedback from the FT retailers is considered valuable by the organisations although not practiced exclusively by them. There were also indications of financial support for community development projects from FT retailer customers.

All three organisations had been dealing with mainstream companies for many years before becoming FT certified. Two of the three organisations mentioned issues around FT retailers pressuring them for discounts. *“The [Fair Trade] buyers come and say I cannot pay more than this ... to them a fair price is what they can sell it for”*. A production manager who has worked for her organisation for 10 years, working her way up from shop assistant admitted that *“the basket makers are not making money”* and yet the baskets have been the most popular product with FT retailers but *“most Fair Trade*

*customers want a discount on the price*". It was pointed out that this could also happen with a mainstream buyer. A reason given for bowing to pressure for discounts from FT retailers was that it was considered a cost of entry into the FT market in the hope that they would gradually take on other products with better margins.

A consultant to the handcraft industry who works for global institutions conducting workshops with craft projects around the world said when interviewed, that the widespread practice of FT retailers asking for discounts was the reason she recommended following the 10 standards to craft organisations but not becoming certified. She said *"they have reduced the purchasing of crafts from the South to 'cheap pity buys' instead of showcasing them as the incredible hand crafted objects that they are"*.

### **4.3 WFTO and Certification**

According to non-certified craft organisations with a social mission interviewed at a trade fair, the certification process is perceived to be costly and lengthy, a barrier to entry. The findings confirm this but the key informants agreed that the rigorous self-assessment process is beneficial as it enabled them to 'identify gaps' (it showed areas where they could improve), and adherence to standards ensures that organisations that are not up to standard are not certified. *"We saw the gaps then when we started really looking"* and there were *"interesting guidelines that would help us to grow on the social commitment side"*.

All concurred that the process was labour intensive; the organisations absorb the cost of staff time dedicated to it and the costs of improving facilities, implementing new administrative procedures and social projects. There is clearly concern that the costs for being certified *"we have to pay 1% of our annual turnover to WFTO, top line sales, not profit"* are high for what they are getting. *"I have the feeling that the subs are too high and I'm not really getting value for those subs"*. It is suggested that these costs are high considering the low WFTO brand awareness and absence of price premium and product

labeling. It would appear that while the framework that the standards offers is a useful one to become a 'fairer' social enterprise, the costs of being certified may not be worth it.

While all agreed that the networking between certified organisations was "*outstanding*", leading them to establish a national FT network, issues arose concerning the WFTO structures and systems. "*I think the organisation needs to be much more transparent, if they expect us to show them the payroll, why can't we see theirs? ... To me Fair Trade means transparency so I expected that from them*".

#### **4.4 Fair Trade for Whom?**

FT certification has impacted on the organisations by boosting turnover through increased market access, which has enabled them to bear the costs of being certified. The FT standards provide a useful framework within which the organisations can assess themselves and identify areas where there is room for improvement. This has led to increased participation and training for the workers that have possible wider impacts on the communities they live in as workers deal with developmental issues.

Working with FT retailers, which is one of the main motivations to certify, has not resulted in increased monetary gain as they are often given discounts and the certification costs are high. As a result there has been no positive impact on worker earnings. Rather, market access, the long-term relationship, prepayment and market feedback secure workers' jobs, eases cash flow and possibly improves the organisation's position to negotiate with mainstream customers.

#### **5. Recommendations**

The framework that FT offers through the ten standards is a good one for social enterprises and should be introduced to producer organisations regardless of certification. While it is evident that there are outcomes from certification that have benefited workers, such as increased participation and training, it is clear that informal piece workers and home workers need to be brought into WFTO standards. A formula that calculates what a

fair price constitutes needs to be established to ensure that informal workers receive a fair wage. This could be done either by stipulating payment as a percentage of the wholesale price or by establishing a mean hourly rate per product, per country.

Nicholls and Opal point out that “The Fair Trade mechanism represents a highly innovative approach both to improving global social justice and to addressing economic market failures through trade” (2005, p.246). However, while FT producers contribute to increasing awareness of trade justice and social responsibility among consumers and retailers, producers also carry the greatest burden of the costs. Southern producer organisations absorb the costs of providing social goods for their producers, which, due to an absence of national social protection and conditions largely due to structural issues in world trade, is a huge task. To enter into the FT market, they pay 1% of turnover to the WFTO, absorb the costs of self-assessment and external auditing, and their goods are then subject to duty on entry to Northern markets. The expectation that small organisations can tackle the issues surrounding, and bear the costs of maintaining an alternative approach to trade while remaining commercially viable, is unrealistic.

Northern FT retailers need to change the way they are doing business to stay relevant in the market. They need to reposition themselves and move away from the ‘charity shop’ image, run by volunteers. Changing this image would transform the ‘cheap pity buys’ made out of guilt, to ones made out of appreciation for the craftsmanship and beauty of handmade objects. Exalting the work of artisans around the world will not only make them more marketable, it will increase the status of producers and give them a higher price for their product. A more market oriented FT retailer, while remaining committed to the economic and social justice theoretical underpinnings of FT, will increase market access and maintain the position of being reliable partners to Southern producers. Creating a successful transparent model will put other organisations under pressure to do them same.

The weakness of the WFTO brand needs to be addressed. Consumer awareness of the WFTO logo is low, largely due to its absence on products purchased. A process is being established whereby the WFTO logo can be displayed on product packaging, yet there remains the risk of consumer confusion due to the FLO logos appearance on an increasingly wide product range; consumers have grown to associate the FLO logo as representing FT products. FLO's mainstream strategy has resulted in the logo being displayed with other corporate logos, which have also caused consumer confusion. The introduction of another FT logo on FT goods could lead to diluting brand recognition further. There is a need to create one easily identifiable FT mark as Nicholls and Opal (2005) suggest, strengthening brand awareness. This commercial strategy will increase market share to the benefit of Southern producers.

## **6. Conclusion**

While WFTO claims to be 'the guardian' of FT values, it needs to recognise that expanding market access is a priority for Southern producer organisations. The FT brand now has to compete with other ethical labels and as Nicholls and Opal (2005) argue, it needs to position itself as the 'gold standard' for how businesses should treat the poorest participants in the supply chain in order to survive. The proliferation of other ethically traded initiatives may be an indication of the barriers to entry of FT certification, or the dilution of standards. It is essential that monitoring procedures be tightened in order to maintain brand integrity. It is evident from worker conditions around the world, that there is much to be done before FT puts itself out of business.

The repositioning of FT retailers to a more competitive business structure will also enable them to charge a better price. More effective retailers, with the aid of consumers, will be able to share the costs of fairer trade and need not pressure producers for discounts. As Southern initiatives gain a greater voice, market access and decent returns will take priority over maintaining an alternative trading system.

More than a decade after the start of the World Trade Organisation Doha development round, governments have failed to make trade fairer and the role of campaigning organisations such as those found in the FT movement remain crucial to achieving trade justice.

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