

CHAPTER 6.6

FOCUS ON

FAIRTRADE

PRODUCTS:

COTTON

6.6 COTTON

Fairtrade cotton farmer Kady Waylie throwing freshly picked cotton onto a heap in Sitaoulé Bananding, Senegal.
© Photography: Sean Hawkey

FAIRTRADE COTTON: KEY DATA 2016



Cotton is a growing category for Fairtrade, with sales of 8,125 MT in 2016 and 18 certified producer organizations. The scope for growth is significant given that only 11 percent of the world's cotton is currently produced sustainably, and there is increasing interest from within the industry itself, as well as pressure from NGOs, to set high sustainable cotton sourcing commitments. In order to take advantage of this favourable environment, Fairtrade is focusing efforts on engaging with cotton stakeholders, including businesses, NGOs and governments, to build awareness and support for Fairtrade certified cotton and address the most pressing issues affecting the sector. These include the lack of transparency and traceability in cotton supply chains.

WORKING TO GROW THE FAIRTRADE MARKET FOR COTTON

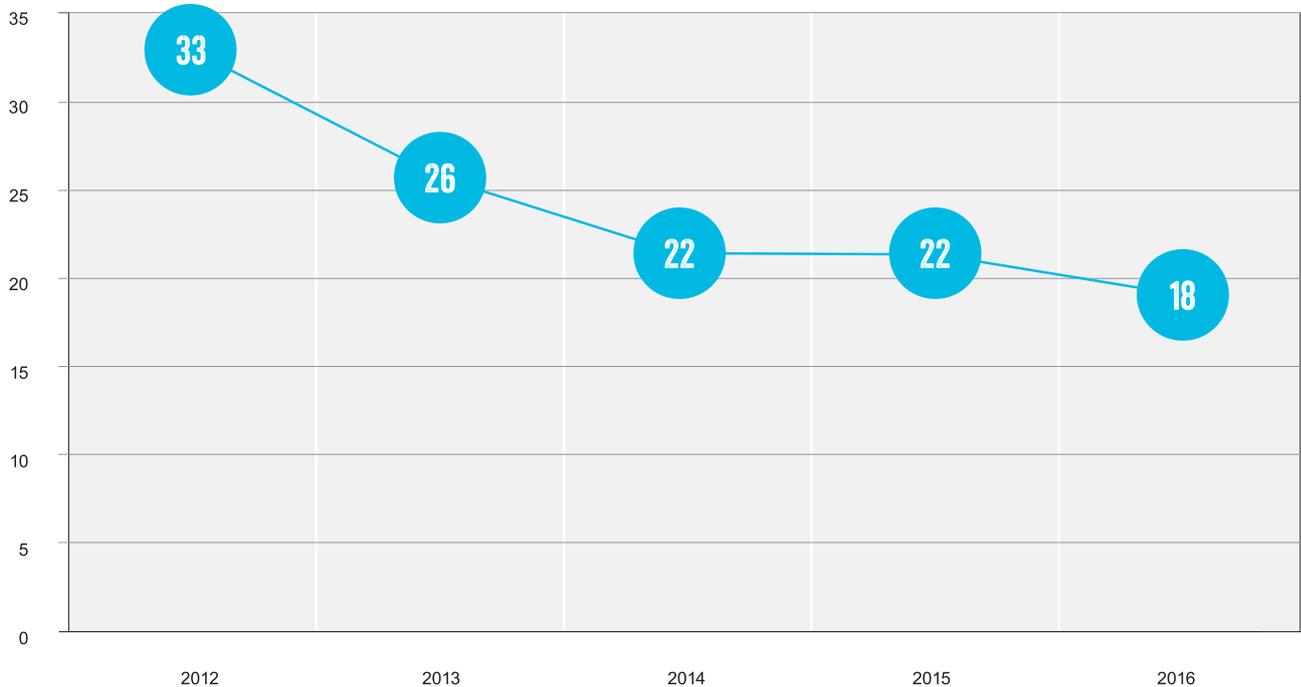
Since 2014, manufacturers have been able to purchase Fairtrade cotton in bulk and mix it with other cotton and fibres as needed, in addition to sourcing and creating 100 percent Fairtrade cotton products. This concept, known as 'mass

balance' and labelled under the Fairtrade Cotton Program, was launched to expand the uptake of Fairtrade cotton while providing all the benefits of increased Fairtrade sales to cotton farmers. There is strong interest in this model. By the end of 2016, we had seven sourcing commitments globally, and continued engagement with businesses that are keen to address the sustainability-related challenges in the cotton sector. We also introduced new and customized supply chain services that map and link commercial partners to support and guide them with the sourcing of Fairtrade cotton. This allows us to help them identify suitable end product options with competitive advantage.

Fairtrade launched the Fairtrade Textile Standard in June 2016. This Standard, which is part of the broader Fairtrade Textile Programme, is designed to tackle the challenging working conditions of textile factories by extending the Fairtrade approach to the entire textile supply chain. By committing to Fairtrade, fashion and textile companies can help improve the social and economic well-being of workers across the entire production chain. Based on Fairtrade's existing Standard for Hired Labour, the Fairtrade Textile Standard focuses on working conditions, living

FAIRTRADE COTTON: NUMBER OF PRODUCER ORGANIZATIONS WITH FAIRTRADE SEED COTTON CERTIFICATION 2012-2016

Number of producer organizations with Fairtrade seed cotton certification



wages and workers' rights, and allows for other sustainable fibres as well as cotton according to Fairtrade's Responsible Fibres criteria.¹ It's the first Standard of its kind to require living wages to be paid within a set time period – six years after certification – with brand owners also contractually responsible for fair and long-term purchasing practices that are essential for implementing wage increases. Overall, the Textile Standard aims to empower factory workers and enable them to negotiate labour conditions independently. Three German brands (3Freunde, Shirts For Life and Melaware) signed up as the first partners for the Fairtrade Textile Standard and Programme in 2016.

ENHANCING SECTOR COLLABORATION

In order to raise awareness about Fairtrade cotton and build more sustainable sourcing practices in the sector, Fairtrade actively participated at industry events, such as the Textile Exchange and Innovation Forum Apparel conferences. Fairtrade collaborated with other cotton standards through the Cotton 2040 initiative² convened by Forum for the Future. Fairtrade also partnered with Prince Charles' Sustainability Unit on roundtables to engage with the industry to increase the uptake of sustainable cotton.³

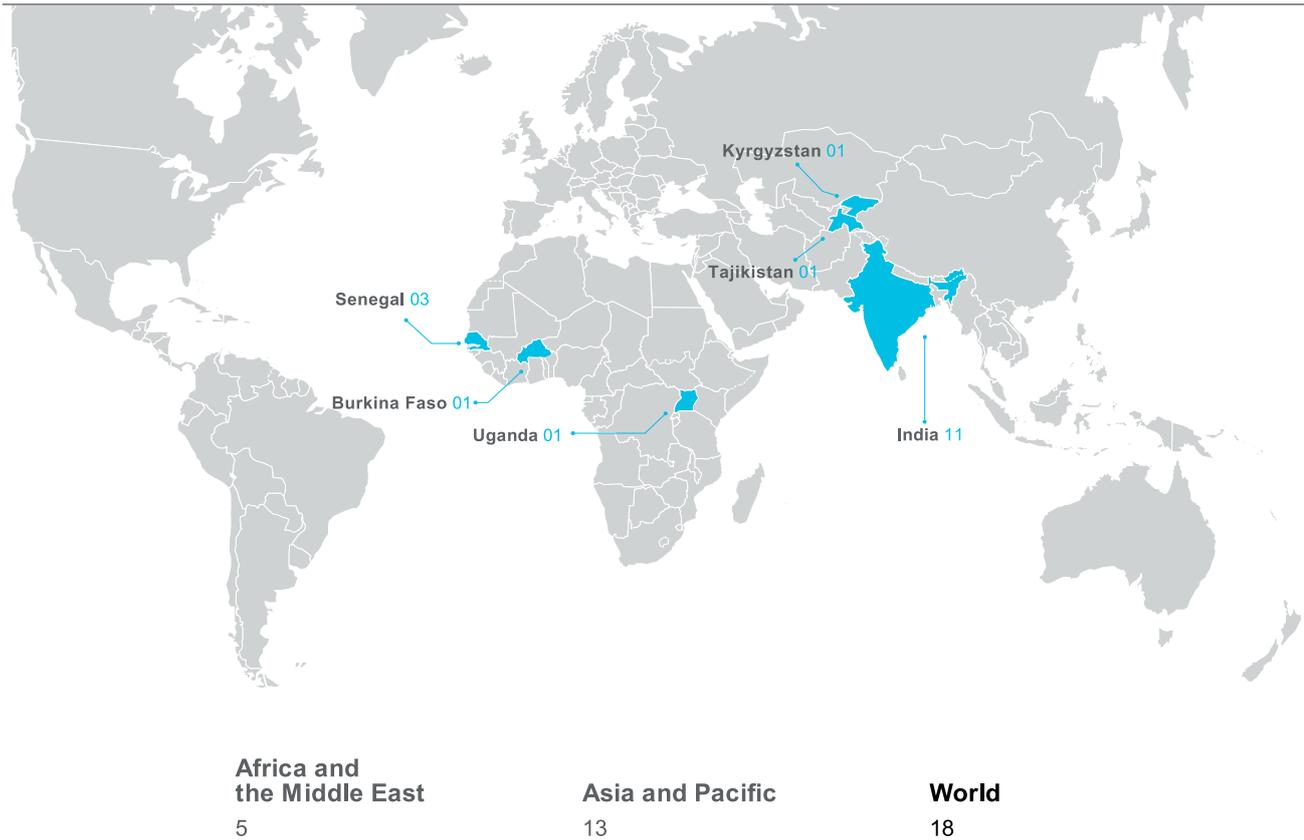
In addition, Fairtrade continues to engage with the German Textile Partnership, which was initiated by the German Federal Minister for Economic Cooperation and Development. This Partnership is a multi-stakeholder initiative with about 150 members from the fields of business, politics and

1 Fairtrade International Responsible Fibre Criteria. Available at: https://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/generic-standards/ResponsibleFibreCriteria.pdf

2 'Cotton 2040 is a unique cross-industry partnership, bringing together leading international brands and retailers, cotton standards, existing industry initiatives and other stakeholders across the supply chain.' Read more here: <https://www.forumforthefuture.org/project/cotton-2040/overview>

3 Fairtrade Foundation (24 May 2017) 'Sustainable Cotton Communique'. Available at: <https://www.fairtrade.org.uk/Media-Centre/News/May-2017/Sustainable-Cotton-Communique>

FAIRTRADE COTTON: PRODUCER ORGANIZATIONS WITH FAIRTRADE SEED COTTON CERTIFICATION 2016



RESEARCH INSIGHT

BASELINE STUDY OF FAIRTRADE COTTON IN WEST AFRICA

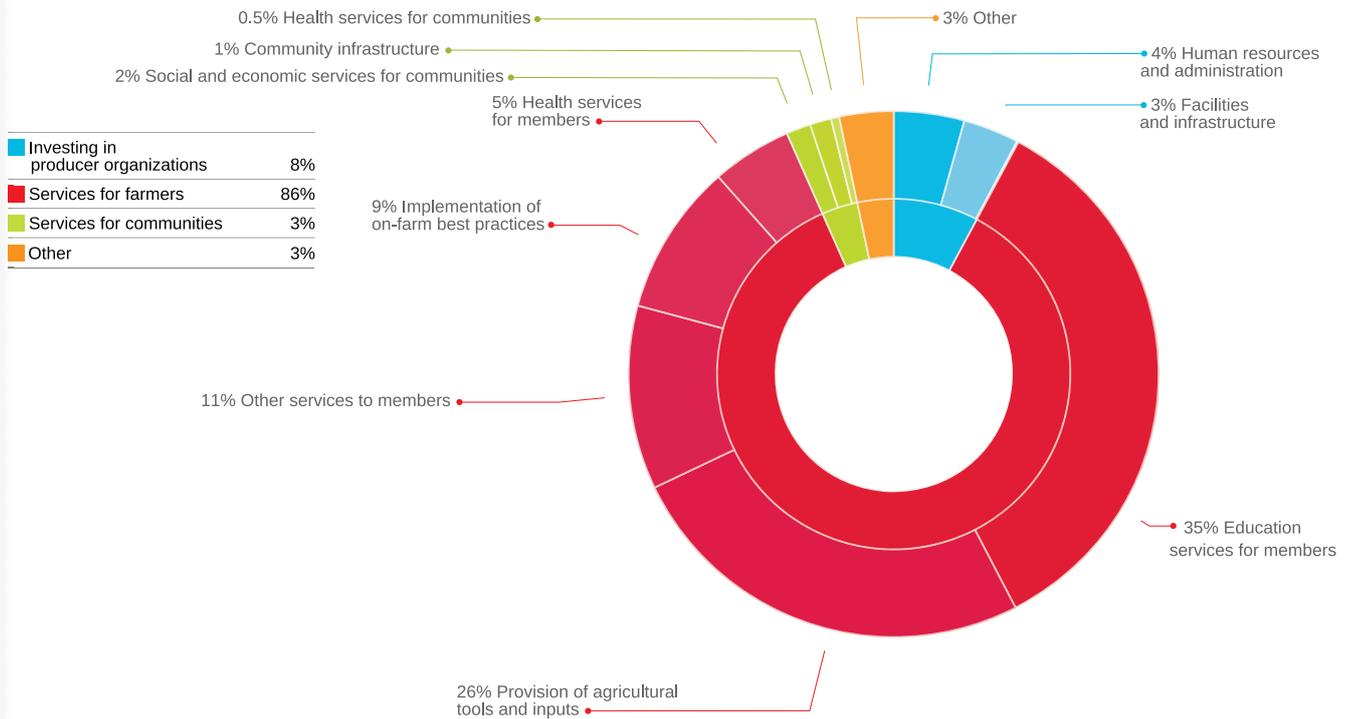
The study was commissioned in 2015 by Fairtrade to look at the impact of Fairtrade certification in the cotton sector in West Africa. Using a sample of Fairtrade and non-Fairtrade SPOs and farmers, the study found that Fairtrade had a positive impact in the areas of higher price differentials, child rights awareness, access of services to women, overall access to training, social project investments, and internal control systems. For example, farmers in Fairtrade

certified cooperatives had more access to training, and were more likely to have policies relevant to gender and young people. There was no difference between Fairtrade and non-Fairtrade certified cooperatives and farmers regarding yields (conventional only), food insecurity, and vulnerability. The study recommends that Fairtrade invests more in farmer support and in improving market access for increased Fairtrade cotton sales.

Aidenviroment (2015)

FIGURE 6.6.4

FAIRTRADE COTTON: FAIRTRADE PREMIUM USE 2015–2016



Note: Percentages may not sum due to rounding.

civil society. Together they are striving to improve the social and environmental conditions in textile production globally – from the production of raw materials for textile production to the disposal of textiles.

ADVOCATING FOR A MORE SUSTAINABLE COTTON SECTOR

Political advocacy has been another important area of work to defend the interests of vulnerable cotton farmers and promote the take-up of Fairtrade cotton. To this end, Fairtrade engaged with industry experts to research and develop a position paper called 'Power to West African cotton producers.'⁴ This mapped the challenges in the cotton sector in West Africa with a focus on small producers and put forward recommendations for the European Union, G7 and the governments of West African countries in support of fairer and more sustainable textile supply chains. Fairtrade also hosted a Cotton

Forum in Paris in March 2016 focusing on advocacy and market access to improve the conditions of West African Fairtrade cotton producers. Representatives from the industry, commercial partners, supply chain and small producers all participated.

⁴ Fair Trade Advocacy, 'Power in West African Cotton Sector'. Available at: <http://www.fairtrade-advocacy.org/power/180-projects/power-in-supply-chains-campaign/889-power-in-the-west-african-cotton-sector-2016>



PRODUCER

STORY

Sugna Jat holding Fairtrade certified cotton at Pratibha-Vasudha in Madhya Pradesh, India.
© Photography: Suzanne Lee

VASUDHA JAIVIK KRISHAK KALYAN SAMITI (VASUDHA), INDIA

The cotton farmers we work with in India currently find it very difficult to access non-genetically modified (GM) cotton seeds, with over 95 percent of cotton seed supply in India being genetically modified. This limits the opportunities of cotton farmers to improve their livelihoods by gaining access to higher-value markets for their crops, since Fairtrade and organic standards prohibit use of GM seeds. Farmer members of Fairtrade cooperatives have proactively identified increased access to non-GM seeds as a major priority for them.

Vasudha Jaivik Krishak Kalyan Samiti (Vasudha) is one such cooperative. A registered society of smallholder cotton farmers in Khargone district in the state of Madhya Pradesh, Vasudha comprises 1,524 individual members spread across 47 villages, of which 1,417 are men and 107 are women. The staple crops of the region are wheat, maize, soybean, pigeon pea, grams and groundnut. Vasudha has encouraged other neighbouring producer organizations to invest

in similar Fairtrade Premium projects, such as building schools, investing in education and drip irrigation.

In late 2016, Fairtrade Foundation raised funds through TRAIID to develop a three-year seed breeding programme for non-GM cotton seeds. The programme is being run under the supervision of a qualified agronomist and plant breeder employed by Vasudha's parent organisation, Pratibha Syntex, and includes the training of 19 skilled farmers. The project aims to benefit 1,500 farmer members of Vasudha and will be extended to other producer organizations in the coming years.

This project is one example of the Fairtrade-facilitated link between Vasudha and Pratibha Syntex, which is one of the world's largest textile manufacturers with a strong focus on sustainability. It specializes in knitted textiles and is also located in Madhya Pradesh.

Thanks to Fairtrade Premium funds, Vasudha has been able to invest significantly in their members' businesses. The cooperative makes

its own chemical-free fungicides, insecticides and nutritional supplements and sells to farmers at cost. They work with several technical experts to provide periodical workshops and training camps on different topics to improve quality and productivity. Cooperative members have also chosen to invest in drip irrigation for 125 farmers covering 50 hectares, conserving up to 40 percent of their former water usage. Eighty percent of Fairtrade cotton farmers are using drip irrigation today and improving their water management as a result.

Vasudha has also used the Fairtrade Premium to benefit the local communities. Projects include the establishment of a skills development centre for women where they learn stitching and tailoring to supplement their income. Toilet facilities for women have also been built in the village, and efforts are being made to enrol all the girls in the community in the local schools.

The cooperative was even able to use Premium funds to build a school for the children of local farmers. Today, over 450 students attend the school, which offers education up to twelfth grade. Families pay a nominal tuition fee, which is partially subsidized for Fairtrade farmers. Vasudha also invested in school buses so that now students from 80 villages can attend the school. They aim to build a college in the coming years. Vasudha has recently established a nursery of 75,000 horticulture plants to grow around farms to create a better micro-environment. They will also provide an extra income for farmers who will be able to sell fruits on local markets in years to come.

"With great courage and determination, we are on the way to achieving our vision for better farming," says Avinash Karmarkar, the Vice-President of Vasudha. "We have raised the bar for sustainable agriculture and won't stop there. Abiding by the Fairtrade Standards, we have many exciting plans. Vasudha is an example of Fairtrade supporting the empowerment of farmers in taking control of their future."

18 COTTON
PRODUCER ORGANIZATIONS
REPRESENTING
46,305 FARMERS



IN 6 COUNTRIES

FAIRTRADE
COTTON FARMERS
INVESTED 35%



OF THEIR FAIRTRADE
PREMIUM TO SUPPORT
EDUCATION
IN THEIR COMMUNITIES

75% OF ALL
FAIRTRADE COTTON FARMERS
LIVE IN INDIA



86% OF ALL
FAIRTRADE PREMIUM
FOR COTTON GOES TO
INDIA

