



**FAIRTRADE
SUGAR**
BUILDING SUSTAINABLE
PARTNERSHIPS



**SUGAR IS A KEY INGREDIENT
IN A GREAT VARIETY OF FOOD
AND DRINKS AND, AS GLOBAL
DEMAND GROWS, A SUSTAINABLE
SUGAR INDUSTRY IS OF GREAT
IMPORTANCE TO BUSINESS.**



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 GLOBAL SOUTH.

Definition of fair trade recognized by the European Parliament (2006), the European Economic and Social Committee and the European Commission

Smallholder farmers play a significant role in sugar production, accounting for 40 percent of the world's cane sugar. They face numerous challenges including high use of hazardous agrochemicals, changing weather patterns, volatile pricing and an ageing farmer population. In addition trade and tariff barriers, protecting countries that produce and consume their own sugar, pose a major threat to smallholders as these limit their export prospects.

Action is therefore needed to maintain a reliable sugar supply for businesses and ensure a sustainable future for farmers and their families.

This is where Fairtrade steps in—a unique system that enables smallholder cane farmers to become professional, long-term, empowered cane producers; the perfect partners to meet the sustainability goals of your business and the industry.

Fairtrade is transforming the industry for countries reliant on sugar cane production. Sales of Fairtrade sugar are growing year on year despite all the difficulties faced by farmers. The unique, core mechanisms of Fairtrade—the Fairtrade Standards and Fairtrade Premium (the extra funds paid on top of the selling price for social and

business development projects)—provide the building blocks to create long-term, viable trading partnerships. Driven by farmers and their communities, Fairtrade is helping sugar cane farming to become an attractive and feasible option for the next generation.

Fairtrade allows you, your commercial partners and your consumers to gain valuable insights into the benefits that business brings to sugar cooperatives within your supply chain. Fairtrade offers a high level of consumer awareness and trust as the FAIRTRADE Mark is the most widely recognized ethical label in the world, visible on thousands of products in more than 125 countries. Nearly six in ten consumers across the world have seen the Mark, and nine in ten of those trust it. The Mark is recognised by around 90 percent of the population in the five leading markets¹.

By working with Fairtrade, your business can be a part of global, lasting change and at the forefront of an international movement to create a better future for small sugar cane farmers, their communities and the entire sugar industry.

1. Global consumer awareness study in 17 countries, Globescan, 2013.

FAIRTRADE MEANS:

- **RELIABLE SOURCING PARTNERS**
- **IMPROVED CROP PRODUCTIVITY AND QUALITY**
- **SOLUTIONS FOR ENVIRONMENTAL PROTECTION**
- **THE FAIRTRADE PREMIUM: FOR LONG-TERM SUSTAINABILITY**
- **FAIRTRADE STANDARDS: DEVELOPMENT AND ETHICS IN SMALL PRODUCER ORGANIZATIONS**
- **ON THE GROUND FARMER SUPPORT**
- **CREDIBLE, WIDELY RECOGNIZED AND INFLUENTIAL CERTIFICATION**

Left: Enrique Mora Montero, COOPEAGRI cooperative member, stands near his sugar cane field.



62,200

FAIRTRADE CANE SUGAR FARMERS (2013)



INCREASE IN VOLUME OF FAIRTRADE SUGAR GLOBAL SALES 2012-13



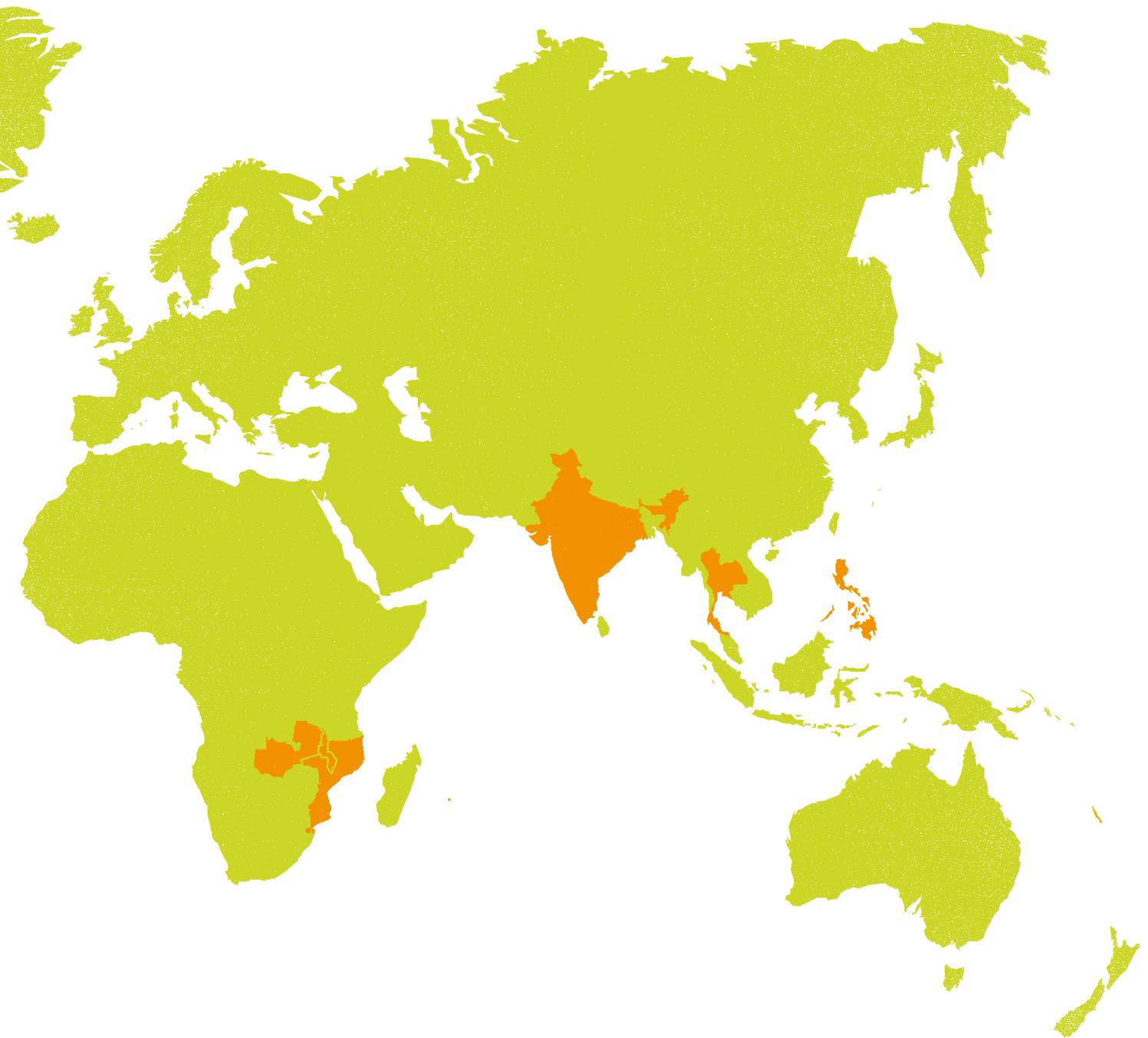
100 PRODUCER ORGANIZATIONS IN 18 COUNTRIES (2013)



“WE THINK THAT BUSINESSES AND CONSUMERS SHOULD CONTINUE TO SUPPORT FAIRTRADE BECAUSE IT PROVIDES BENEFITS FOR ALL PARTIES CONCERNED. THE FARMERS CONTINUE TO ACHIEVE BETTER PRODUCTION, BETTER QUALITY OF LIFE, A BETTER PRODUCT; THE CONSUMER GETS A BETTER QUALITY PRODUCT AND IS SATISFIED THAT THE ENVIRONMENT IS BEING CONSERVED AND PROTECTED. WE HAVE POSITIVE DEVELOPMENTS ON BOTH SIDES.”

OSCAR ALONSO, CEO, BELIZE SUGAR CANE FARMERS ASSOCIATION





US \$ **13,412,711**



**IN ANNUAL FAIRTRADE PREMIUM PAYMENTS FOR
COMMUNITY AND FARM LEVEL INVESTMENT (2013)**

RELIABLE SOURCING PARTNERS

“FAIRTRADE CERTIFICATION IS SEEN AS AN INCENTIVE FOR SMALLER GROWERS TO REMAIN IN PRODUCTION.”

Devesh Dukhira, CEO designate,
Mauritius Sugar Syndicate

“A DREAM IS BECOMING TRUE, AND WE HOPE WE CREATE BETTER OPPORTUNITIES FOR OUR CHILDREN, FOR THEIR PARENTS TO HAVE MORE MONEY, AND FOR THEM TO GO TO SCHOOL. IT WILL BE A MOTOR IN THE REGION FOR FARMERS, FAMILIES AND WORKERS.”

Andrés González, General Manager,
Manduvira Cooperative, Paraguay



Left: Francisco Hernandez cuts sugar cane at the plot of local BSCFA member Leocadio Hoy.

Fairtrade is unique in supporting producer-led change. We know that sugar farmers themselves are best placed to understand the specific challenges they face and to decide which investments will create the most effective and lasting community-oriented solutions. By creating productive, viable businesses, families are more likely to continue farming into the future; creating long-term partnerships that are beneficial for the farming communities and for your business.

Through Fairtrade, **COOPEAGRI in Costa Rica** has started a skills building program, ‘Leaders of the Future’, that has already given more than 1,700 young people the tools needed to become future leaders and ambassadors of their cooperative.

Providing for the basic needs of producers is another important aspect of helping to improve their livelihoods and make farming a more attractive option for the future. At the **Kadrolli Primary Agricultural Credit Cooperative in India**, Fairtrade Premium money has been used to improve health and sanitation in the village by funding new toilet facilities.

Fairtrade helps producer organizations have a greater influence within the supply chain and adds more value to their final product. It ensures that benefits remain in the sugar-growing communities where they belong.

In April 2014, in an excellent example of producer-led change, **Manduvira Cooperative in Paraguay** opened a first-of-its-kind producer owned mill. The US\$15 million project was funded through a combination of national and international loans, Fairtrade Premium contributions, and the Fairtrade Access Fund—a fund which gives long-term loans to smallholder farming organizations. The mill has the capacity to process 200,000 MT of organic sugar cane a year, producing 20,000 MT of sugar. It has already brought significant improvements to the lives of sugar farmers and workers by eliminating the costs of renting a factory more than 100km away and transporting the sugar there. Nearly 200 jobs have been created and employees include the sons and daughters of farmers who had previously left the area to look for work, reuniting families.

IMPROVED CROP PRODUCTIVITY AND QUALITY

“ONE OF THE MAIN ACHIEVEMENTS IN BELIZE HAS BEEN THE CANE QUALITY PROGRAMME. IT HAS MEANT THAT THE FARMERS ARE ABLE TO MAKE MORE SUGAR AND SELL MORE SUGAR, AND THEREFORE THEIR INCOME IMPROVES AND WE ARE ABLE TO BUY MORE SUGAR AS A COMPANY.”

Julia Clark, Tate & Lyle Sugars

“THE INTRODUCTION OF FAIRTRADE TO THE SUGAR LANDSCAPE IN MAURITIUS IS CONSIDERED BY THE SYNDICATE AS A REAL BREAKTHROUGH AND A NEW RAISON D’ÊTRE FOR THOUSANDS OF SMALL PRODUCERS.”

Gansam Broodram, President of the Mauritius Sugar Syndicate

The Fairtrade model encourages increased crop quality and productivity. Many cooperatives have invested the Fairtrade Premium in farmer training or have established quality improvement programs. These have resulted in greater security for the farmers and the sugar sourcing businesses.

After a disastrous crop in 2010, the **Belizean Sugar Cane Farmers Association (BSCFA)** introduced a cane quality program using the Fairtrade Premium, leading to a dramatic increase in productivity despite threats from hurricanes and insect infestation. Equipment was updated at farm, processing and transport levels, harmful agrochemicals were phased out and better drainage systems were introduced. Greater coordination of delivery times during harvesting season also contributed to improved crop quality and higher yields. BSCFA has recruited a technical team and an extension officer for every branch. All these young Belizeans, mainly from cane-growing families, are trained to share best practice in crop husbandry.

Fairtrade Premium projects led to a 30% increase in farmers’ cane revenue in BSCFA 2011/12 measured against a ten year average.

Fairtrade Premium projects led to a 21% increase in productivity 2011–13 Tc/Ts (tonnes-cane-to-tonnes-sugar) measured against a ten year average.

The **Kadrolli Primary Agricultural Credit Cooperative in India** used the Fairtrade Premium to improve sugar cultivation and help the environment. Organic fertilizer and manure was introduced to replace chemical fertilizers, leading to significantly saved costs, labour and time, and resulting in wider, taller and greener sugarcane. The cooperative also invested in a leaf shredder, allowing them to create their own organic compost and avoid the traditional practice of burning fields after harvest. Kadrolli’s success led to major interest in Fairtrade, with six more groups in the area becoming certified.

In **Mauritius** smallholders have barely been able to cover the high costs of production in recent years, discouraging many small growers from staying in cane production. Fairtrade Premium funds have played an important role in lowering the costs of production. The farmers have invested in harvesting machinery, low cost loans for replanting, and funding to buy better fertilizer. These changes have led to an 8 percent increase in average yields.

ENVIRONMENTAL SOLUTIONS

Farmers are increasingly facing hurricanes, storms and droughts. Pests and diseases are leading to extensive use of agrochemicals, posing risks to the ecosystem and human health. Fairtrade helps to make environmental protection an integral part of farm management, addressing key areas including soil, waste and water management; carbon emissions and climate change; and biodiversity. Environmentally sustainable farming and production practices are rewarded, including producers earning extra Premium payments for organic certification.

COOPEAGRI in Costa Rica has shown great commitment to the environment; cutting energy use by 50 percent; protecting 200 hectares of forest and investing in reforestation; and creating a rainwater collection system.

The farmers have declared their desire to have a positive impact on the earth and its people and say that Fairtrade has helped them realize this fundamental goal.

Motivated by Fairtrade certification requirements, **Canal No. 2 Cane Farmers cooperative in Guyana** have stopped using dangerous rodent-killing chemicals on their fields. The rodent problem for them is rife and poses a great threat to sugar

crops. The farmers have now worked to create a more inviting environment for wild predators such as large lizards and birds of prey to help control the rodents. The number of pests has significantly decreased, with total eradication in some farms, and a healthier environment has been created for native wildlife.

“FAIRTRADE REQUIRES US TO FOLLOW PRACTICES THAT MINIMISE IMPACT TO THE ENVIRONMENT. FOR EXAMPLE, IN MY COOPERATIVE WE ARE REQUIRED TO BAN CERTAIN TOXIC CHEMICALS... WE ALSO ENSURE THAT THERE ARE BUFFER ZONES BETWEEN THE FIELDS AND THE ROADS, WATERWAYS AND HOUSES, WHICH ARE WEEDED MANUALLY.”

Sen Dabydoyal, sugar cane farmer, Medine Camp de Masque Cooperative, Mauritius, and chair of the Fairtrade Africa Sugar Network

“ALL OF THE PEOPLE IN COOPEAGRI UNDERSTAND THE TRUE IMPORTANCE OF FAIRTRADE. THIS IS BECAUSE WE’VE HAD MORE RESULTS IN THE PAST TEN YEARS THAN IN THE LAST FORTY.”

Gilbert Ramirez, sugar cane farmer, COOPEAGRI Cooperative, Costa Rica

THE FAIRTRADE PREMIUM: FOR LONG-TERM SUSTAINABILITY

The Fairtrade Premium provides additional funding for sugar cane farmers to invest in productivity and environmental and social projects, delivering benefits to farms and communities. These projects provide long-term benefits to businesses and communities and give your company a way to have a tangible impact on the lives of smallholder farmers and their families.

Fairtrade Premium payments of US\$60 per tonne of sugar (US\$80 per tonne for certified organic sugar) are paid directly to cooperatives on top of the negotiated sugar price. In 2013, US\$13.4 million in Fairtrade Premium was paid to sugar cane farmers. The majority of payments help to build better businesses by investing in financial services, agricultural tools, inputs, training and facilities.

Fairtrade cooperatives put together their own Fairtrade Development Plan, in which they assess their needs and allocate spending according to short and long-term strategies. Producer organizations must have accounting processes in place. They are rigorously audited to show their spending is in line with Fairtrade development plans and to ensure correct payments have been received from buyers.

“I HAVE BEEN IN THIS INDUSTRY FOR OVER 45 YEARS AND I HAVE NEVER SEEN ANY OTHER PROGRAMS THAT CAN DO AS MUCH GOOD FOR FARMERS AS FAIRTRADE CAN. FOR YEARS FARMERS HAVE HAD PRODUCTIVITY ISSUES BECAUSE THEY DID NOT HAVE THE MONEY TO BUY THE RECOMMENDED AMOUNTS OF FERTILIZERS; THE FAIRTRADE PREMIUM COULD COVER ALL FERTILIZER NEEDS AND THEY WOULD STILL HAVE SOME MONEY LEFT TO INVEST IN OTHER THINGS!”

Robert G F Clarke, Co-Managing Director,
Worthy Park Estate Sugar Mill, Saint-
Catherine, Jamaica

Right: A light harrow and fertilizer tool paid with Fairtrade Premium funds in Belize.

Below: COOPEAGRI, Costa Rica.



THE FAIRTRADE STANDARDS: WORKING TO DEVELOP SMALL PRODUCER ORGANIZATIONS



Above: Harvesting sugar cane by hand at the Belize Sugar Cane Farmers Association.

“...FAIRTRADE CONTRIBUTES TO REINFORCE THE BEST MANAGEMENT PRACTICES WITHIN THE INDUSTRY AND ALSO THE INTRODUCTION OF MORE STRINGENT RULES WITH REGARDS TO THE GOVERNANCE OF COOPERATIVE SOCIETIES.”

Gansam Broodram, President, Mauritius Sugar Syndicate

Fairtrade Standards support the long-term development of farmers in developing countries by working to strengthen producer organizations. Our Standards cover economic, environmental and social aspects of sugar supply chains. The required ethical conditions for small producer organizations cover prevention of child labour, employment practices, gender issues, occupational health and safety and labour rights. The production of cane sugar must meet two sets of standards: the Fairtrade Standard for Small Producer Organizations and the Fairtrade Standard for Cane Sugar Small Producer Organizations.

The buying and selling of Fairtrade sugar by traders and manufacturers is covered by the Fairtrade Trade Standard. Fairtrade traders (exporters/importers) engage with

producer organizations under specific terms, including providing written contracts, sourcing plans and payment details. These standards can help with risk management, by demonstrating commitment to good environmental practices and fair social and labour conditions for farmers in your supply chain.

The Fairtrade Standards also incorporate internationally recognized conventions set out by the International Labour Organization, World Health Organization and International Union for the Conservation of Nature. Producer organizations are required to abide by national legislation where it sets higher requirements than those covered by the Fairtrade Standards.

FARMER SUPPORT— WHERE IT MATTERS



Above: Trucks loaded with sugar cane queue at a processing factory in Belize.

Producer support is one of the biggest assets of Fairtrade certification. It strengthens the capacity of small producer organizations, helps sugar cane farmers comply with the Fairtrade Standards and aids them in becoming professional sugar production partners.

Through locally based Fairtrade producer networks and liaison officers in Africa, Asia and Latin America, continued support is provided and highly valued by producers and traders. This has great positive benefits for the day-to-day organization of cooperatives.

Fairtrade's support for producers includes:

- Training (in local languages) before certification, on compliance with certification, organizational development, planning and the use of the Fairtrade Premium.
- Facilitating relationships with buyers and access to new markets.
- Supporting producer involvement in consultations on changes to the Fairtrade Standards.
- Supporting networking and partnership development.

Jamaica has seven branch associations for sugar cane. On the ground support from Fairtrade liaison officers has helped to renew farmers' interest in democratic structures, allowing them to become recognized bodies in Jamaica. The Fairtrade process has created a nurturing and inclusive environment within the farming industry: a place for farmers to feel listened to, learning to trust each other and work collaboratively towards a common goal.

“EVEN BEFORE CERTIFICATION, FAIRTRADE HAS DONE SO MUCH FOR US SUGAR CANE FARMERS; IT HAS BROUGHT US ALL TOGETHER AND FORCED US TO REVIVE OUR DEMOCRATIC STRUCTURES. THROUGH FAIRTRADE WE CAN HAVE A COMMON VOICE, WE CAME TOGETHER ALL THE SUGAR CANE FARMER ASSOCIATIONS OF JAMAICA AND SUPPORTED EACH OTHER IN THIS ADVENTURE,”

Joe Handal, Chairman, St Catherine Cane Farmer Branch Association, Jamaica

CREDIBLE, WIDELY- RECOGNIZED, INFLUENTIAL CERTIFICATION

Players at all levels in the industry are recognizing that we must work together to create a sustainable future for sugar farming. Beyond certification, Fairtrade's credible, widely-recognized and influential standards are also being taken on board by governments, collaborating to overcome the serious challenges facing farmers and the industry.

“SINCE WORKING WITH FAIRTRADE, THE SWAZILAND SUGAR ASSOCIATION AND THE SWAZILAND SUGAR INDUSTRY HAVE TAKEN THE DECISION TO REMOVE THE HERBICIDE PARAQUAT FROM THE LIST OF RECOMMENDED HERBICIDES FOR USE IN SUGAR CANE PRODUCTION.”

Sharon de Sousa, Commercial Director,
Swaziland Sugar Association

In Mauritius, Swaziland, Jamaica and Fiji, government and industry have been influenced by Fairtrade certification practices in creating programmes for small farmers to increase production as well as build market demand. The Swaziland Sugar Association and Ministry of Economic Planning and Development identified Fairtrade certification as an opportunity for improving the economic viability of the smallholder sugarcane growing sector. They have introduced programs in Swaziland beyond Fairtrade to phase out the use of the herbicide Paraquat. While it doesn't affect the end product Paraquat is dangerous for the farmers and workers who work with it.

The integrity of the Fairtrade certification system is underpinned by FLOCERT, the independent certification body that inspects and certifies all producer organizations, making sure they meet Fairtrade Standards throughout the supply chain. FLOCERT holds ISO 65 accreditation, internationally recognized as the strongest quality norm for a certification body.

SOURCING FAIRTRADE SUGAR

There is an ample, global supply of Fairtrade cane sugar, with total production reaching over 500,000 MT in 2014. There are many other smallholder organizations waiting for Fairtrade certification. Through Fairtrade, your business can contribute to significant change for smallholder sugar farmers around the world and allow more to enter the system.

Fairtrade sugar is available in all specifications including raw sugar for refining, various types of white refined sugar, organic/non-organic direct consumption sugars, special raw sugars such as Demerara, and caster sugar. Fairtrade sugar can be physically traceable or used under group mass balance with documentary traceability.

The majority of global sugar trading companies have Fairtrade certification, making engagement with new partners easy. Your business can choose to buy from certified producers, exporters or from Fairtrade certified trading partners.



“FAIRTRADE HAS INJECTED RENEWED INTEREST AND PUT LIFE BACK INTO CANE FARMING. SINCE BECOMING CERTIFIED, THE FARMERS’ PRODUCTION AND PRODUCTIVITY HAS IMPROVED SO MUCH.”

Walter Persaud, National Cane Farming Liaison Manager, Guyana Sugar Corporation, Fairtrade certified sugar company

“WE SHARE THE IDEALS AND PRINCIPLES OF FAIRTRADE, AND THROUGH JOINT INVOLVEMENT IN GROUND-BREAKING LOCAL DEVELOPMENT, FARMER PROJECTS ARE RETURNING REAL WEALTH AND LIVELIHOOD IMPROVEMENTS TO RURAL PARTS OF THE AFRICAN CONTINENT.”

ILLOVO Sugar Limited, Fairtrade certified sugar company



Above: Cutting sugar cane at BSCFA member Leocadio Hoy’s plot.

Right: Sugar cane.

CERTIFICATION MODELS TO MEET YOUR SUSTAINABILITY GOALS

“BEN & JERRY’S CHOSE TO PARTNER WITH FAIRTRADE INTERNATIONAL BECAUSE WE BELIEVE THAT A HEALTHY GLOBAL ECONOMY DEPENDS ON VIBRANT SMALLHOLDER FARMERS GAINING ACCESS TO GLOBAL MARKETS WHILE ENJOYING STABLE RURAL LIVELIHOODS. FAIRTRADE INTERNATIONAL ADVANCES THIS VISION THROUGH ITS SUPPORT OF DEMOCRATIC COOPERATIVE LEADERSHIP AND RAISING AWARENESS OF THE CONNECTION BETWEEN CONSUMER AND FAIRTRADE FARMER—CRITICAL STRATEGIES IN OUR EYES!”

Cheryl Pinto, Values Led Sourcing Manager, Ben & Jerry’s

“FAIRTRADE HAS HELPED BRING LIFE BACK TO THE COOPERATIVE. BEFORE FAIRTRADE OUR NUMBERS WERE DWINDLING AND LANDS WERE BEING ABANDONED. THIS YEAR WE CELEBRATED OUR 100 YEAR ANNIVERSARY AS A COOPERATIVE AND THE ETHOS OF FAIRTRADE IS AT OUR CORE.”

Sen Dabydoyal, sugar cane farmer, Medine Camp de Masque Cooperative, Mauritius, and chair of the Fairtrade Africa Sugar Network

Businesses wanting to engage with Fairtrade can choose between two models:



Product Certification Model

- The FAIRTRADE Certification Mark is suited to businesses that wish to label their finished products to show that all ingredients that are commercially available as Fairtrade must be used in the finished products and that a minimum content threshold is achieved.
- With the certification model, products are required to bear the FAIRTRADE Mark on the front of packaging.
- The FAIRTRADE Mark communicates to consumers that all the Fairtrade ingredients in a product have been sourced according to the Fairtrade Standards.

Fairtrade Sugar Program

- The Fairtrade Sugar Sourcing Program enables businesses to commit specifically to Fairtrade sugar sourcing.
- Annual volume commitments are made for several years at a time, and these do not need to be associated with any specific consumer-facing product lines—but they can be if desired.
- Communications options for these commitments cover both product packaging (front-of-pack and back-of-pack) and/or corporate communications only. The Fairtrade Program Mark can be used for both options.
- To use the program label on product, businesses must source the equivalent of 100% of sugar volume in the labelled product on Fairtrade terms.

Fairtrade certification can provide you with a long-term and secured sugar trade chain. Fairtrade supports your business to realize its sustainability strategies in sugar cane production and to create positive impact at farm and community level by ensuring social, economic and environmental standards are met and audited. Our strong and influential standards are playing a major part in transforming the sugar industry in developing countries.

The Fairtrade Standards provide the framework—and Fairtrade sales the investment—for farmers to pursue their development paths and strengthen their farms, organizations and communities to bring a bright and sustainable future.

Find out how your business can start sourcing Fairtrade sugar and investing in a sweeter future. Contact the Fairtrade International Global Product Manager for sugar or the national Fairtrade organization in your area. Please see info.fairtrade.net



Left: Cane cutter, Kasinthula Cane Growers Association, Malawi.

Back cover left: Agner David Mora Jiménez (left) and his cousin German Marín Vargas, weed out the sugar cane field.

Back cover right: Sugar cane.

Front cover: Farmer from ASOCASE sugar cooperative, Paraguay.

PHOTO CREDITS

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