Fair Trade

Fair Fruits Globally and in Slovakia
What is Fair Trade?

Fair trade is an alternative approach to conventional trade based on a partnership between producers and traders, businesses and consumers. The international Fairtrade system is made up of Fairtrade International and its member organizations.
How Fair Trade works?

Through Fair Trade standards, principles, minimum prices, premium and products.

Foto: https://www.fairtrade.net/
Fair Trade products

Bananas, cocoa, coffee, cotton, flowers, sugar, tea, composite products, carbon credits, fresh fruit, gold, honey, juices, rice, spices and herbs, sport balls, wine

Foto: https://www.fairtrade.net/
Sweet Fruit – Bitter Truth

Hazardous pesticides, no protection, spraying workers in fields, poisoned drinking water, health consequences
Violation of human rights, disregard for trade union rights, precarious employment conditions, sexual abuse
Supermarkets such as Aldi, Lidl, Edeka and Rewe share abuse their market power in forcing down prices paid to producers and suppliers. For example, the import prices for pineapple decreased by around 45 per cent from 2002 – 2014, despite increasing production costs.
Sweet Fruit – Bitter Truth

Consumers power – ask for ecological and social responsibility (ensuring humane working conditions, sustainable farming methods, transparency and compliance with employment laws and paying fair prices to suppliers).
Rainforest Alliance – poisonous frog

Rainforest Alliance is used by many supermarkets as logo, which suggest to customers, that RA certified products are „ecological and fair“. This is unfortunately not the reality according to field research done in 2016 by Oxfam.

FOTO: https://www.rainforest-alliance.org/business/marketing/marks
Situation in Slovakia

Tropical fruits are among most popular fruits

Main fruits consumed in Slovakia (by volume)

- Citrus 28%
- Apples 16%
- Bananas 13%
- Grapes 11%
- Other fruits 28%
- Pears; 2%
- Pineapples; 2%

Based on data from research done by Oxfam Germany within the Make Fruit Fair project in 2015 - 2016
Situation in Slovakia

Majority of Slovak consumers shop in hypermarketers, supermarkets and discounter, which gives them the power to decide what we can shop on their shelves.
Situation in Slovakia

Major players on Slovak market

Retail market share in Slovakia (2011)

Tesco: 19%
Kaufland: 14%
Lidl: 14%
Billa: 7%
Hypernova: 2%
Carrefour: 1%
Others (Coop…): 43%
Situation in Slovakia

Main banana importers to our market

Estimates of market share of banana importers in Slovakia (2014 - based on Czech Republic data)
Situation in Slovakia

Banana import volumes in Slovakia (2000-2015)

- Cameroon
- Colombia
- Costa Rica
- Côte d'Ivoire
- Ecuador
- Panama
Situation in Slovakia

**Slovakian Banana Value Chain**
Case study of Ecuador

<table>
<thead>
<tr>
<th>Stage</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>21,0 %</td>
</tr>
<tr>
<td>Ripening</td>
<td>12,0 %</td>
</tr>
<tr>
<td>Tariffs</td>
<td>9,7 %</td>
</tr>
<tr>
<td>Shipping &amp; Import</td>
<td>36,9 %</td>
</tr>
<tr>
<td>Export</td>
<td>4,9 %</td>
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<tr>
<td>Production</td>
<td>7,7 %</td>
</tr>
<tr>
<td>Worker’s wages</td>
<td>7,8 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>From Ecuador to Slovakia</th>
<th>Price/Cost</th>
<th>Margin</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retailer</td>
<td>1,308</td>
<td>0,274</td>
<td>21,0%</td>
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<tr>
<td>Ripening</td>
<td>1,034</td>
<td>0,157</td>
<td>12,0%</td>
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<tr>
<td>Tariffs</td>
<td>0,877</td>
<td>0,127</td>
<td>9,7%</td>
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<tr>
<td>Import</td>
<td>0,750</td>
<td>0,482</td>
<td>36,9%</td>
</tr>
<tr>
<td>Export</td>
<td>0,267</td>
<td>0,064</td>
<td>4,9%</td>
</tr>
<tr>
<td>Producer</td>
<td>0,203</td>
<td>0,101</td>
<td>7,7%</td>
</tr>
<tr>
<td>Worker</td>
<td>0,102</td>
<td>0,102</td>
<td>7,8%</td>
</tr>
</tbody>
</table>
Situation in Slovakia

Fair Trade is mainly in big cities and only in a few chains – Billa, Kaufland, Tesco, Tchibo, dm drogerie markt and small bio shops. OMV offers fairtrade coffee and ice cream Ben and Jerry is available with FT mark.
Situation in Slovakia

It is nearly impossible to buy Fairtrade products without BIO certification in Slovakia, and also in Europe, which makes Fairtrade luxury goods
Campaign Make Fruit Fair

NGOs from Europe are working in close partnership with small farmer organisations and plantation worker unions from Africa, Latin America and the Caribbean to improve living and working conditions for the hundreds of thousands of people who grow, pick and pack the tropical fruit that we buy in our shops every day.
Campaign V4 for Food Justice

Asks supermarkets to offer more Fairtrade products on their shelves and urges consumers to sign the petition to show their interest in Fairtrade products in shops.
www.makefruitfair.org/sk