

How do you set the prices you pay to producers?

Traidcraft consults closely with each producer group to establish a fair price for their products. In the case of products carrying the Fairtrade Mark, a minimum price is set externally by the Fairtrade Labelling Organisation (FLO).

A "fair price" needs to take into account certain factors that may be unique to a particular producer group, such as cost of inputs (equipment, seed etc.) and cost of living in that particular area.

Setting a fixed international "fair price" for a commodity can, therefore, be problematic at times. As a result, FLO sometimes sets prices by country or region.

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