

Glossary

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B

British Association of Fair Trade Shops (BAFTS)

The British Association for Fair Trade Shops is a network of independent fair trade shops across the UK. It promotes fair trade retailing in the UK. [British Association of Fair Trade Shops \(BAFTS\): More information](#)

Business counselling

A process through which a business counsellor helps a business to assess their current situation, identify their problems, assess the possible solutions, and to make an informed decision about what action to take. Business counselling can range from a one-off session to an ongoing relationship with regular meetings over several years.

Business development services (BDS)

These are services needed by businesses to help them grow and be profitable. These include costing and pricing, marketing, quality assurance, business management etc.

C

Capacity building

This is assistance provided to people or organisations to develop certain skills or competencies, or to improve their performance.

Catering customer

A supporter who has opened a Catering account to regularly use Traidcraft products in their workplace or organisation.

[Catering customer: More information](#)

Collective voice

This involves bringing individuals and organisations together to develop and articulate their concerns as a group. This enables people to have greater impact than acting alone.

Company Law

This law was voted in November 2006. As a result of our successful lobbying by Traidcraft and others, company directors will now be legally obliged to consider the effects of their businesses on people (both suppliers and customers) and the environment, and not exclusively to focus on maximising profits.

[Company Law: More information](#)

Competition Commission

This is an independent public body which conducts in-depth inquiries into mergers, markets and the regulation of the major regulated industries.

[Competition Commission: More information](#)

Co-operative

A business or organisation that is jointly owned and democratically controlled by the workforce.

D

Department for International Development (DFID)

DFID is the part of the UK Government that manages Britain's aid to poor countries and works to get rid of extreme poverty.

[Department for International Development \(DFID\): More information](#)

Developing countries

These countries have a relatively low standard of living, an undeveloped industrial base and a moderate to low Human Development Index (HDI) score.

E

Economic Partnership Agreements (EPAs)

EPAs are trade deals being negotiated now between the European Union (including the UK) and 77 poor countries - mostly former colonies in Africa, the Caribbean and Pacific.

[Economic Partnership Agreements \(EPAs\): More information](#)

Economic sustainability

Economic sustainability is the financial stability of a business and how it manages its assets. It also refers to its viability as a going concern.

Environmental sustainability

Environmental sustainability means meeting the needs of the present without compromising the ability of future generations to meet their needs. It involves keeping environmental impact below the level required to allow affected systems to recover and continue to evolve.

Ethical business

An ethical business is one that values people, profits and the environment. It recognises that all business decisions have an impact on the wider world and therefore strives to be as socially and environmentally responsible as possible.

Ethical Trading Initiative (ETI)

This is an alliance of companies, non-governmental organisations (NGOs) and trade union organisations. It exists to promote and improve the implementation of corporate codes of practice which cover supply chain working conditions. Traidcraft is a member of the ETI.

[Ethical Trading Initiative \(ETI\): More information](#)

European Fair Trade Association (EFTA)

This is an association of eleven fair trade importers in nine European countries. It was established informally in 1987 and gained formal status in 1990.

[European Fair Trade Association \(EFTA\): More information](#)

European Union (EU)

This is a supranational and an intergovernmental body made up of 27 European countries.

[European Union \(EU\): More information](#)

F

Fair trade

It seeks to transform the lives of poor producers in the developing world by enabling them to use their skills and resources to build sustainable livelihoods for themselves and their communities. It seeks to challenge injustices in trading structures and practices that so often lead to the exploitation and marginalisation of poor people.

[Fair trade: More information](#)

Fair Trader

A Traidcraft supporter who promotes fair trade by selling Traidcraft products to others on a regular basis. They have a Fair Trader account offering numerous benefits, and sell goods at a church, workplace, school or other group

[Fair Trader: More information](#)

Fairtrade Fortnight (FT14)

An initiative of the Fairtrade Foundation which takes place around February / March every year. Aims to raise awareness of the Fairtrade Mark and what it represents, and to encourage more consumers to choose Fairtrade products.

Fairtrade Foundation (FTF)

Registered charity which is the UK licensing body for the international Fairtrade Labelling Organisation (FLO). It licences the Fairtrade Mark and aims to increase sales of Fairtrade certified products.

[Fairtrade Foundation \(FTF\): More information](#)

Fairtrade Labelling Organizations International (FLO)

This is an umbrella organisation that unites 20 labelling initiatives in 21 countries and Fairtrade Certified Producer Organisations in Central and South America, Africa and Asia.

[Fairtrade Labelling Organizations International \(FLO\): More information](#)

Fairtrade Mark

An independent consumer label guaranteeing that Fairtrade criteria have been met. Awarded in the UK by the Fairtrade Foundation.

[Fairtrade Mark: More information](#)

Fairtrade premium [See: Social premium](#)

G

Gifts For Life

Alternative gifts from Traidcraft that help fund Traidcraft Exchange projects and transform the lives of people living in poverty.

[Gifts For Life: More information](#)

Global South [See: South](#)

Gross Domestic Product (GDP)

One of the ways for measuring the size of a country or region's economy. The GDP of a country is defined as the market value of all final goods and services produced within a country in a given period of time.

Guardian share

The Guardian Share is held by the Traidcraft Foundation and holds a range of powers which in effect allow it to over-ride shareholders/directors of Traidcraft plc in certain areas. Whilst these powers are restrictions on shareholder power, they also act as a guarantee to each individual shareholder that they won't find the capital they have entrusted to Traidcraft being hijacked by other shareholders choosing to sell to a non fair trade organisation seeking to buy control of Traidcraft.

[Guardian share: More information](#)

H

Human Development Index (HDI)

This is a comparative measure of life expectancy, literacy, education, and standard of living for countries worldwide. It can be used to determine whether a country is a developed, developing or underdeveloped country and also to measure the impact of economic policies on quality of life.

[Human Development Index \(HDI\): More information](#)

I

Informal sector [See: Informal traders](#)

Informal traders

This refers to the economic activities that are not regulated by labour or taxation laws or monitored for inclusion in gross domestic product. Informal traders (such as street vendors, buskers and home-workers) make up part of the informal sector. The informal sector is often associated with developing countries where it accounts for up to 60% of the labour force.

International Fair Trade Association (IFAT)

This is the global network of fair trade organisations. Its mission is to improve the livelihoods and well being of disadvantaged producers by linking and promoting Fair Trade Organisations, and speaking out for greater justice in world trade.

[International Fair Trade Association \(IFAT\): More information](#)

International Monetary Fund (IMF)

An international organisation that oversees the global financial system by observing exchange rates and balance of payments, as well as offering

financial and technical assistance.

[International Monetary Fund \(IMF\): More information](#)

K

Key Contact

A Traidcraft Fair Trader with additional responsibilities such as offering support to and recruiting of Fair Traders. Many also offer a sale or return service.

Key Stage

A stage of the education system setting out the knowledge expected of school students at various ages. Traidcraft has resources suitable for different Key Stages.

L

Local partners

These are organisations based in developing countries who we work with to implement our projects. Our local partners bring a range of skills to compliment our own. Working with local partners builds local capacity and ensures that our projects are relevant to the local context.

[Local partners: More information](#)

M

Meet The People Tours

Traidcraft holidays giving you the opportunity to meet the people who make the products and see the impact of fair trade firsthand.

[Meet The People Tours: More information](#)

Micro and Small Enterprises (MSEs)

These are small-scale enterprises with limited staff, assets and turnover (levels of staff and assets vary per country definition of MSEs). Micro and small enterprises provide vital employment and income for many hundreds of thousands of poor people in developing countries, however they often suffer from business difficulties and need support to grow.

Millenium Development Goals (MDGs)

There are eight Millennium Development Goals, from halving extreme poverty to providing universal primary education. The aim is that all of them will be achieved by the year 2015. They have been agreed by all the world's countries and all the world's leading development institutions.

[Millenium Development Goals \(MDGs\): More information](#)

N

Non-Governmental Organisation (NGO)

These are private institutions that are independent of the government. There are numerous classifications of NGO. The World Bank divides them into Operational and Advocacy. The primary purpose of an operational NGO is the design and implementation of development-related projects. The primary purpose of an Advocacy NGO is to defend or promote a specific cause

O

Organic

Organic food production means that farmers can't grow genetically modified crops and can only use - as a last resort - four of the hundreds of pesticides available to them.

P

Policy Unit

Part of Traidcraft Exchange that is based in London and engages in advocacy and campaigning to change the rules of trade which keep people poor. It also encourages businesses to behave more responsibly.

[Policy Unit: More information](#)

Product development

This is the process of bringing a new product or service to market. It includes product design, production, packaging, costing and pricing, market research and marketing.

Product sector

This refers to a broad range of related products. For example, cotton is a product sector and handwoven cotton textiles is a sub-sector within the cotton sector.

R

Rotational crops

These are crops that can be grown in the same space in sequential seasons. Growing rotational crops benefits poor farmers by decreasing their vulnerability to crop-failure & improving soil fertility.

S

Sale or Return (SOR)

Goods supplied may be returned to the seller if unsold. Conditions apply. Many Key Contacts, Fair Traders and Traidcraft retailers offer this service.

Sales channel

A way of making products available to the end consumer. Traidcraft's channels include Fair Traders, retailers (such as independent fair trade shops), mail order customers and wholesale customers (such as supermarkets).

Scheduled tribes and castes

Indian communities that are accorded special status by the Constitution of India. Scheduled tribes refers to specific indigenous peoples who are also

known as 'Adivasi' (literally 'original inhabitants'). Scheduled castes (also known as Dalits) are communities that were considered 'outcastes' and were excluded from the social structure of Hindu society. Scheduled tribes and castes have traditionally been relegated to the most menial labour and subject to extensive social disadvantage and exclusion, in comparison to the wider community.

Self-Help Groups (SHGs)

These are groups of 10-20 poor people who individually do not have access to formal financial institutions. These groups are recognised by the Indian government and, as a formally registered Self Help Group, members can gain access to credit and other government services. Self Help Groups enable members to support each other and learn to cooperate to achieve collective goals. Members can discuss common problems, share resources and find solutions together. Self Help Groups significantly contribute to the empowerment of poor.

Service providers

These are individuals or organisations who provide business development services and support local businesses to benefit from these. Service providers can include individuals or organisations from the private sector, public sector or NGOs.

Shared Interest

Shared Interest is a co-operative lending society that aims to reduce poverty in the world, by providing fair and just financial services. It was set up by Traidcraft.

[Shared Interest: More information](#)

Small and Medium Enterprises (SMEs)

These have limited staff, assets and turnover (levels of staff and assets vary per country definition of SMEs). Small and medium enterprises provide vital employment and income for many hundreds of thousands of poor people in developing countries, however they often suffer from business difficulties and need support to grow.

Small enterprise development

The key stages of development that a small enterprise goes through: pre start-up, start-up, survival and early growth.

Social accounts

Social accounting is an important way of demonstrating the wider impacts that a company has. Traidcraft's social accounts attempt to show both what we are achieving and what our various stakeholders think about the way we work with them. In 1993, Traidcraft was the first public limited company to publish audited social accounts in the UK.

Social enterprises

A term used for enterprises that have both business and social objectives. It could be that the profit from the business is used to support social aims, or that the business itself accomplishes a social aim through its operation e.g. by employing people from a disadvantaged community or group.

Social premium

For products to be awarded the Fairtrade Mark, producers must be paid a "premium" that can be invested in development projects, such as education and healthcare.

[Social premium: More information](#)

Social sustainability

Ensuring that the cohesion of society and its ability to work towards common goals is maintained, in order to provide a decent quality of life for current and future generations. Also that individual needs, such as those for health and well-being, nutrition, shelter, education and cultural expression are met.

South

A term used to refer to the region where most developing countries are to be found.

Speaker

A Traidcraft supporter who has signed up to the Speaker Network and gives talks about the work of Traidcraft and the benefits of fair trade.

[Speaker: More information](#)

Speaker Network

Traidcraft has speakers all over the UK who give talks about fair trade and the work of Traidcraft.

[Speaker Network: More information](#)

Stakeholders

Stakeholders include producers, Traidcraft Exchange partners and clients, staff, shareholders, fair traders, customers, public donors, institutional funders, UK suppliers and the local community.

[Stakeholders: More information](#)

Sub-sector

A particular range of products within a product sector. For example, 'Home Accessories' is a product sector and 'tableware' a sub-sector.

Subsistence farming

Common in developing countries, subsistence farming means nearly all of the crops or livestock are used to feed and maintain the farmer and his family, leaving little, if any, surplus for sale or trade.

T

Tariffs

Taxes on foreign goods upon importation.

Trade justice

A call for unjust trading arrangements to be changed so that international trade is made to work for all.

[Trade justice: More information](#)

Trade Justice Movement (TJM)

A fast growing group of over 80 organisations campaigning for trade justice - not free trade - with the rules weighted to benefit poor people and the environment.

[Trade Justice Movement \(TJM\): More information](#)

Traidcraft Consult

A department of Traidcraft Exchange which enables organisations to have a positive impact on the way the world's poor do business. It provides

specialised information, training and consultancy services.

[Traidcraft Consult: More information](#)

Traidcraft Exchange

Our charity is the UK's only development charity specialising in making trade work for the poor. We work to create opportunities for poor people to trade, helping them to develop sustainable livelihoods and offering them hope for a better future.

[Traidcraft Exchange: More information](#)

Traidcraft plc

Our trading company that supplies fair trade food, drink, craft and textile products from producers in more than 30 developing countries.

[Traidcraft plc: More information](#)

Training of trainers

Building the technical knowledge and training skills of a core group of individuals who can act as trainers in the future. This builds local capacity and ensures that training has a cascade effect, benefiting many more people than the original target group. This also ensures that training is as cost-effective and locally relevant as possible.

W

World Bank

Consists of two development institutions - the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) – and exists to offer financial and technical assistance to developing countries around the world.

[World Bank: More information](#)

World Trade Organisation (WTO)

The World Trade Organization deals with the rules of trade between nations at a global or near-global level.

[World Trade Organisation \(WTO\): More information](#)