



Government needs to wake up to fair trade

Traidcraft, the organisation which helped pioneer fair trade in the UK, welcomes the strong support of fair trade in the International Development Committee (IDC) report, released today, and says its findings are a wake-up call to the Government to overhaul its ineffective approach to trade and development.

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The House of Commons IDC report on Fair Trade and Development concludes that fair trade delivers real benefits to developing world producers. But the Government's lacklustre record on fair trade is only part of a much bigger problem.

Paul Chandler, Traidcraft Chief Executive, who gave evidence at the closing session of the committee inquiry said: "The IDC report also points out that the activities of this Government to fight poverty through trade, despite the rhetoric, are ad hoc and have limited impact.

"There is clearly no strategy for linking supply chain initiatives like fair trade to the broader picture of global trade trends and trade rules. To address this, the Government must completely overhaul its approach, and start by looking at the needs of the poorest at the bottom of the supply chain, like the cotton pickers in West Africa and south Asia still struggling to earn a living in a sector distorted by rich country subsidies. Its current approach is too theoretical, too top-down and too concerned not to upset the technocrats in Brussels.

"Little can be achieved while the DfID remains in the shadow of the DTI, and the Government gives with one hand and takes away with another. International talks, in which the DTI leads for the UK, are utterly failing to make trade work for the poor, as evidenced by the inadequate outcome of this month's G8 meeting, the repeatedly stalled WTO talks and the crisis in the EU's hugely controversial Economic Partnership Agreement negotiations."

Mike Gidney, Traidcraft Director of Policy, who also gave evidence to the Committee, said: "International trade rules still work against developing countries. Major changes are needed. This should certainly be the long-term goal. Meanwhile direct action is needed now to support the millions of farmers and workers in developing countries secure a better deal. Stepping up its support for fair trade is the best way for the Government to make a greater immediate impact.

"Consumer support and demand for fair trade has never been greater. The Government is missing the opportunity to use this as a catalyst for change and capitalise on its past investments."

Fairtrade Marked items account for almost 300m sales annually in the UK and the Fairtrade Mark is recognized by over 50% of people nationally. In some areas, for example in Newcastle upon Tyne, the figure is as high as 80%.

Notes to editors:

- Traidcraft has been fighting poverty through trade since 1979 and is the UK's leading fair trade organisation.
- *In a survey commissioned by the Newcastle Fairtrade Partnership, 97% of respondents correctly identifying the Fairtrade Mark, said it signified a better deal for third world producers. The next largest association people made is with the name Traidcraft.
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