

Report on the Fairtrade Foundation on Bananas

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Introduction

The Fairtrade Foundation is a charity organization in the United Kingdom that aims to empower less disadvantaged producers in developing countries. According to Raynolds, 2015, the organization majors in various products such as tea, coffee, flowers, gold, fruits, and juices. This report was prepared to focus on bananas as one of the products that the Fairtrade Foundation provides. Research was carried out on banana production, and a report was compiled. The report is going to highlight and expound on the various producer organizations, sales, impact, and the challenges faced in the production of bananas.

Producer Organisations

After the research, it was found that bananas are one of the major fruits produced by the Fairtrade Foundation, and they are majorly planted by small-scale farmers in tropical areas. There are also large banana plantations with hired laborers who work on the farms in order to produce bananas for commercial purposes. For instance, Banafair is an organization that imports bananas into Germany, which are later labeled with the Fairtrade organization before selling them. The organizations are required to meet the social, economic, and environmental standards of the Fairtrade Foundation. These standards include standards for importers, contracts, and different products (Rocklinsberg & Sandin, 2013). For instance, banana plantations should not have forced or child labor. Among the major countries that were found to be banana producers are Colombia, Peru, The Dominican Republic, Ghana, The Windward Islands, and Ecuador.

According to the 2015 Fairtrade Monitoring and Impact Report, there are around 11600 small-scale farmers for bananas and 10100 workers in large banana farms. All these are represented in 123 producer organizations. There is an overall of 35,600 hectares of land that are under Fairtrade banana certification.

The Fairtrade producer organizations are structured in such a way that they have to adhere to the stipulated principles of the organizations. First, the organizations need to be registered with the Fairtrade Foundation for them to be certified. The organizations are based on the principle of providing opportunities for the less privileged producers (Reynolds & Bennett, 2015). They should also advocate for transparency and accountability in their managerial and commercial activities. In this, the employees, producers, and members of the organization need to be involved in making decisions

and providing the necessary financial information.

The third principle entails fair trading practices in the pricing of products. Fair trading practices entail giving reasonable payments to the producers so they can afford a decent living standard. They also need to provide fair payment of wages to their workers and ensure that there is no forced or child labor. Besides, the organizations are required to ensure gender equity, good working conditions, freedom of association, and environmental friendliness when the farm inputs are applied (Reynolds & Bennett, 2015).

When hiring workers, organizations are required not to discriminate between genders. Both men and women should be given equal pay and also given the freedom of association with each other. Resources should be freely accessed by both genders, and their grievances should be equally addressed. The needs of special groups of people, such as the disabled and expectant women, should be sufficiently addressed by the management of the organization (Rocklinsberg & Sandin, 2013).

Lastly, organizations need to provide space to build their capacity. This is done through the provision of training programs for their workers so that they may acquire better skills in the production of bananas. This will enable Fairtrade to provide quality products to buyers at reasonable prices. Through these principles, the Fairtrade Foundation is able to work well with the organizations and ensure that every individual need of both the producer, worker, and consumer is met.

Sales

It was found out that Fairtrade bananas are usually sold in supermarkets and to food companies. Fairtrade farmers usually have an approximate sale of 460,000 metric tonnes of bananas every year, of which 89% of the sales come from Colombia, Ecuador, Peru, and The Dominican Republic. Fairtrade farmers usually receive an approximate amount of 19 million sterling pounds of premium payments every year. This translates to 60% of the total production volume on the Fairtrade terms. In the United Kingdom, one out of four bananas sold is a Fairtrade brand, while in Switzerland, one out of three bananas sold is branded by the Fairtrade Foundation (Rocklinsberg & Sandin, 2013).

Fairtrade Foundation has managed to secure ready market outlets for its producers. For instance, three supermarkets in the United Kingdom exclusively sell bananas that are branded by the Fairtrade Foundation. In this way, the banana Producers registered under the Fairtrade Foundation are able to have a secure market and, therefore, secure income.

The main type of banana sold by the Fairtrade Foundation is Cavendish bananas. Since bananas ripen quickly, the Fairtrade Foundation usually transports them in ships containing refrigerators so that they may not get ripe before reaching the supermarkets. Fairtrade Foundation sells its products in over 130 countries, creating a wider market.

Impact

The Fairtrade Foundation has had a great impact on banana farming and production. First, the Fairtrade Foundation has provided a market outlet for small-scale farmers as well as large-scale farmers. This has enabled the farmers to get their products to supermarkets and food companies, which are largely reached out through the efforts of the Fairtrade Foundation. Through this, farmers who are registered with the Fairtrade Foundation have the advantage of making higher sales than their counterparts (Frundt, 2009). Due to this, the farmers get more premium payments, which allows them to invest in a business and improve the living standards of the workers through proper housing and education for their families.

Fairtrade Foundation also curbs the use of chemicals and GMO production technologies in the production of bananas, hence ensuring healthy fruits for the consumers. This has helped cut down on the costs of production and also provide quality food to the consumers.

In addition, the Fairtrade Foundation has promoted job security for the farmers and improved the working conditions of the plantation workers. This has largely led to the improved production of bananas and improved living standards for farmers and workers. This is a result of the increased income and wages for farmers and workers. It has also provided sustainable farming conditions for banana producers (Crask, 2007).

Fairtrade Consumers

The major consumers of Fairtrade bananas are supermarkets and food companies. Three supermarkets in the United Kingdom have actually given priority to selling bananas from the Fairtrade Foundation only. Approximately one out of three bananas sold in the UK is a Fairtrade banana.

Among the challenges that are facing the marketing of Fairtrade products are the low prices of bananas in the market. This is due to the stiff competition in the market, where other supermarkets sell bananas at lower prices than Fairtrade Supermarkets. Other challenges that are commonly faced include a low volume of production to satisfy consumers. Low production volumes are usually experienced during adverse climate and weather conditions such as drought and floods (Blundell & Koene, 2013). For instance, countries such as Peru and Ecuador are affected by heavy rain, while The Dominican Republic is affected by drought. This really leads to low productivity and, hence, low income.

In addition, the farmers face the challenge of expensive fertilizers and other farm inputs. Due to these high prices of farm inputs, the farmers are not usually able to get returns out of what they have invested. This becomes a challenge for them, and therefore, eventually, as they cannot afford the farm inputs required, the volume and quality of their produce drop and, hence, low incomes.

In recent years, there has been increasing competition in the marketing of bananas due to emerging competitors with lower prices for the consumers.

Conclusion

It was concluded that the Fairtrade Foundation has had quite an important role in the production and marketing of bananas. It has done this by providing sustainable farming techniques and farm inputs. Besides, it has improved the living standards of farmers and workers in plantations.

Another important role that the Fairtrade Foundation has played in banana farming is the provision of a ready market for the farmer's produce. In addition to this, it provides transportation facilities such as refrigerators, which ensure that the farmer's produce reaches the consumer before ripening. This has promoted job security for the farmers and motivated them to even improve the volume and quality of their produce. Farmers are, therefore, encouraged to register themselves with the Fairtrade Foundation so that they may have a richer experience in the Banana sector.

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