

Improving the livelihoods of cotton farmers in the developing world.

At the start of the supply chain, small-scale cotton farmers find themselves at the sharp end of injustice within the global trading system. Want to do something about it? Read on.



www.fairtrade.com.au www.fairtrade.org.nz

## The Global Cotton Market

"Now that we farm with natural pesticides and fertilisers the soil quality has improved.
The soil repays us by giving us a greater yield from our land."



Jethanda Patel, cotton farmer, India

The economies of some of the world's poorest countries are dependent upon cotton. Predominantly a smallholder cash crop, cotton is important at both local and national levels.

- Two-thirds of the world's cotton is produced in developing countries
- 100 million rural households are involved in cotton production
- 40% of West Africa's exports consist of cotton

But the price that farmers in developing countries receive for their high quality cotton is driven down by Northern subsidies and competition from synthetic fibres. Subsidised cotton production in the US, EU and China leads to:

- Overproduction, which leads to...
- Dumping of cheap cotton, which leads to...
- The fall of real cotton prices, which leads to...
- Impoverished livelihoods and eroded economies in developing countries

The production of synthetic fibres like polyester is growing faster than ever before, increasing the pressure on cotton prices and adding to the problems faced by cotton farmers.

Fairtrade certification guarantees a fair and stable price for small-scale cotton farmers – whatever the state of the global market.

By purchasing products made with Fairtrade Certified cotton, you can help reverse the injustices they face.

# Fairtrade Cotton Your choice for lasting change







#### Social and Economic Benefits

#### Increased income

Fairtrade guarantees farmers a better price for their cotton. This means they are more able to support their families and invest in their farms. Housing can be improved, children can stay in school, and farmers can choose to stay on their land instead of being forced to migrate to cities.

#### Community development

The Fairtrade price includes a premium that is set aside to invest in social and environmental projects. This ensures that communities have the ability to fund long-term improvement. Elected farmer committees decide democratically how these premiums are spent. In India farmers have agreed to spend the premium on health insurance, water conservation and income generating schemes.

#### Strength in togetherness

Fairtrade certification requires farmers to organise themselves into associations or co-operatives. This leads to the pooling of resources and puts them in a stronger position when selling their cotton.







#### **Environmental Benefits**

#### Responsible farming

The pressure to increase yields by using more chemicals in conventional cotton farming threatens human health and environmental sustainability. Fairtrade farmers are committed to reducing chemical use and protecting the environment.

#### Reducing impact

Fairtrade cotton farmers reduce and replace conventional pesticides and fertilisers with natural alternatives. Many can then go one step further and convert to organic production.

#### Non GM

Fairtrade standards prohibit the use of genetically modified cotton seed.

#### Crop diversification

Farmers introduce other crops into rotation patterns, diversifying income and improving soil fertility.

#### The FAIRTRADE Label

Choosing Fairtrade gives small-scale farmers the power to improve their livelihoods.

Look for the FAIRTRADE Label, your independent guarantee that products have been made using Fairtrade certified cotton.

Fairtrade Cotton Your choice for lasting change



## Cotton Farming

"As small-scale farmers it is not possible to sell our cotton to Europe on our own. With Fairtrade we no longer have to sell individually to the local trader."



Khima Rinchhod, cotton farmer, India

Cotton is a vital fibre crop for the global textile industry and also plays a key role in the social and economic development of developing countries.

In Gujurat, India, Khima Rinchhod has two acres of cotton. Like his father before him, Khima has farmed cotton all his life. But years of experience alone won't protect him from adversity. Water is scarce and irrigation is difficult, while the work itself is long and hard. Khima has struggled to keep his children in school beyond the age of fourteen.

Until recently, Khima sold his seed cotton to local traders and received a poor price in return: "We would deliver the cotton to the trader but they would always find a reason to give us a bad price."

Now a member of the Agrocel Pure and Fair cotton project, Khima is guaranteed a higher, stable price, plus a Fairtrade premium for his group of farmers to invest in community projects. Despite his present hardships, he is more optimistic about the future: "Economically we will benefit, but more than this we will be able to better educate our children."

### Fairtrade

"I did not have any education myself, so I am willing to help my children to get the best possible schooling. I can support them like this because of the Fairtrade price."



Laljibhai Narranbhai, cotton farmer, India

Fairtrade Labelling ANZ is an independent body that awards the FAIRTRADE Label to products that meet international Fairtrade standards. The FAIRTRADE Label guarantees a fair deal for the farmers growing the agricultural commodities used in Fairtrade products.

#### **Fairtrade Cotton**

Fairtrade certification has now been extended to seed cotton – that is, cotton in its raw, unprocessed form. This means there's a whole new product category backed by the guarantee of the FAIRTRADE Label.

Bringing cotton producer groups into the Fairtrade system will help small-scale cotton farmers tackle poverty, and improve the day-to-day conditions in which they live and work.

The first products made with Fairtrade Certified cotton are now available in Australia and New Zealand. By choosing these you are ensuring that small-scale cotton farmers get a fair and stable price for their crop.

Fairtrade Cotton
Your choice for lasting change



Australia: +61 (0) 3 9662 2919 aust@fairtrade.com.au www.fairtrade.com.au New Zealand: +64 (0) 9 920 4950 info@fairtrade.org.nz www.fairtrade.org.nz