

## What is Fair Trade?

Fair Trade is a system of exchange that honors producers, communities, consumers, and the environment. It is a model for the global economy rooted in people to people connections, justice, and sustainability. When you make Fair Trade purchases you are supporting:

### A Fair Price for Products

For [Fair Trade Certified](#)<sup>™</sup> products, this price is set by the Fair Trade Labeling Organization. The price attempts to cover the cost of production and provide a decent return to the farmer. For [coffee](#), a floor price of \$1.26 per pound is set. For other certified products, the price attempts to cover the cost of production and provide farmers with a decent standard of living. For craft items and other non-certified products sold by members of the [Fair Trade Federation](#), a living wage is paid in the local context.

### Investment in People and Communities

Many Fair Trade producer cooperatives and artisan collectives reinvest their revenues into strengthening their businesses and their communities through building health clinics and schools, starting scholarship funds, building housing and providing leadership training and women's programs.

### Environmental Sustainability

Fair Trade farmers and artisans respect the natural habitat and are encouraged to engage in sustainable production methods. Farmers implement integrated crop management and avoid the use of toxic agrochemicals for pest management. Nearly 85 percent of Fair Trade Certified<sup>™</sup> coffee is also organic.

### Empowerment for Farmers and Artisans

Fair Trade promotes farmer and artisan empowerment in their communities and in the global marketplace. Coffee producers belong to cooperatives or associations that are transparent and democratically controlled by their members. For [banana](#) growers and [tea](#) pickers working mostly on estates, Fair Trade provides revenue that is invested in a fund, managed and controlled by the farmers, to be used to further the interests of the community through providing education, access to health care, etc.

### Empowerment for Women

Fair Trade encourages women's participation in and leadership of cooperatives. In addition, Fair Trade revenue is often invested in women's programs.

### Direct, Long-Term Relationships

Importers of Fair Trade Certified<sup>™</sup> products and other fairly traded goods endeavor to establish long-term stable relationships with producer groups.