

# PhytoTrade Africa Fair Trade Charter

**WHEREAS** we, the members of PhytoTrade Africa, the Southern African Natural Products Trade Association (hereinafter called 'PhytoTrade') are committed to promoting fair trade practices in natural products in the Southern African region and internationally, and are willing to express our commitment through signature to a common Charter,

**NOW THEREFORE** we agree that:

## 1. TRADE PRACTICES

- a) We shall trade with concern for the social, economic and environmental well-being of marginalised producers. This means equitable commercial terms, fair wages and fair prices.
- b) We shall endeavour to avoid unfair trade structures, mechanisms, practices and attitudes.
- c) We shall trade in a spirit of co-operation and not competition.
- d) We shall promote fair trade and social justice in the interest of the producer, and not to maximise profit at the producer's expense.

## 2. TRANSPARENCY

We shall openly share financial information; management policies; business practices; product sources; production, marketing and development program plans on a regular basis. This enables both members and the public to assess PhytoTrade's, and each organisation's, social and financial effectiveness. This openness is tempered with respect to sensitive commercial or political information.

## 3. ETHICAL ISSUES

- a) We shall reflect in our structures a commitment to justice, fair employment, public accountability and progressive work practices.
- b) We shall seek to involve workers in decision-making and management as appropriate to each organisation.
- c) We shall aim for adequate income for workers to meet their basic needs, including health care, education and the capacity to save.

## 4. WORKING CONDITIONS

- a) We shall ensure a safe working environment that satisfies at a minimum all local statutory regulations.
- b) We shall provide the opportunity for all individuals to grow and reach their potential.

- c) We shall ensure that work is carried out under humane working conditions, using appropriate materials and technologies, while following good production and work practices.

## **5. EQUAL EMPLOYMENT OPPORTUNITIES**

- a) We oppose discrimination and shall ensure equality of employment opportunities for both men and women who suffer from the exploitation of their labour and the effects of poverty and racial, cultural or gender bias.

## **6. CONCERN FOR PEOPLE**

- a) We shall promote development which improves the quality of life and which is sustainable for and responsible to both people and the natural world.
- b) We shall not exploit child labour.
- c) Our trading activities shall not violate indigenous peoples' claims to land or any resources of vital importance to their way of life.

## **7. RESPECT FOR PRODUCERS' CULTURAL IDENTITY**

- a) We shall respect and promote producers' cultural traditions and traditional sustainable natural resource management practices.
- b) We shall promote producers' artistic, technological and organisational knowledge as a way of helping preserve and develop their cultural identity.
- c) We shall support producers' claims for access to benefits from trade based on their traditional knowledge.

## **8. CONCERN FOR THE ENVIRONMENT**

- a) We shall encourage the trading of goods which are environmentally friendly.
- b) We shall manage resources sustainably and protect the environment.

## **9. EDUCATION AND ADVOCACY**

- a) We shall promote fair trade by encouraging people to change consumption patterns based on issues of social justice and concern for the environment.
- b) We shall support national and international policies and campaigns that will improve the living conditions of the poor in developing countries.
- c) We shall increase public and corporate consciousness of alternative trade as an effective means of changing unfair international trade structures and attitudes.

d) We shall increase awareness of cultural and traditional values of the South in order to promote intercultural understanding and respect.

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I \_\_\_\_\_, being a representative of \_\_\_\_\_, and being duly  
(*your name*) (the member's name, if different)

authorised to sign on behalf of the same, do hereby declare that I have read and understood this

Charter, and I hereby commit \_\_\_\_\_ to abide by its provisions.  
(*member's name*)

Signed \_\_\_\_\_

Date \_\_\_\_\_

## **Background Notes to the PhytoTrade Fair Trade Charter**

### **1. Rationale for Having a Fair Trade Charter**

PhytoTrade members are drawn from a wide spectrum of players in the natural products industry. Its primary constituency is poor rural producers, but its members also include NGOs, the private sector, researchers, government departments and interested individuals.

In joining PhytoTrade, each member has to formally sign the Association's constitution. This binds them to the objectives of PhytoTrade, of which the following two are especially relevant:

*8.1 To enable poor rural communities in the Southern African region to generate income through the sustainable utilisation of natural products.*

*8.6 To promote fair trade practices in natural products in the Southern African region and internationally.*

In order that members have a common understanding of what 'fair trade practices', as described in the constitution, really mean, it has been agreed that a separate Charter should be developed relating to Fair Trade. This Charter would then form an addendum to the Constitution, and signature to the Charter would also be pre-requisite for membership of PhytoTrade.

### **2. Definition of Fair Trade**

FINE<sup>1</sup>, a network of organizations promoting Fair Trade in Europe, have agreed a common definition of Fair Trade as follows:

*Fair Trade is an alternative approach to conventional international trade. It is a trading partnership which aims at sustainable development for excluded and disadvantaged producers. It seeks to do this by providing better trading conditions, by awareness raising and by campaigning.*

### **3. Goals of Fair Trade**

With regards to PhytoTrade's members, the primary goals of Fair Trade are:

- a) To improve the livelihoods and well-being of producers by improving market access, strengthening producer organizations, paying a better price and providing continuity in the trading relationship

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<sup>1</sup> FINE members are:  
Fairtrade Labelling Organisations (FLO)  
International Federation for Alternative Trade (IFAT)  
Network of European World Shops (NEWS!)  
European Fair Trade Association (EFTA)

- b) To promote development opportunities for disadvantaged producers, especially women and indigenous people, and to protect children from exploitation in the production process.
- c) To protect human rights by promoting social justice, sound environmental practices and economic security.

#### 4. Fair Trade in Practice

In practice, Fair Trade means:

- a) **Fair prices:** Paying the producer a price that not only ensures that the costs of production are adequately covered, but that guarantees the producer a profit in order to have a reasonable quality of life.
- b) **Advance payments:** Paying at least a portion of the purchase price in advance, to facilitate entry for new producers into the market, and to prevent producers from having to borrow money at higher than commercial lending rates.
- c) **Long term trading partnerships:** Developing and nurturing long term relationships between producers and buyers that facilitate long term production planning, sustainable production practices and increased income security for producers.
- d) **Design advice and market information:** Helping producers to understand the markets for which their products are destined, and to improve or alter the design of their products to meet market trends.

#### 5. PhytoTrade and Fair Trade

PhytoTrade is not a Fair Trade Labelling Organisation, and cannot certify any of its members' products as Fair Trade products. Moreover, since most natural products fall outside the limited range of products for which internationally recognised Fair Trade standards exist (e.g. coffee, tea, bananas, cocoa), there are few, if any, other organisations that could provide such certification.

However, PhytoTrade is committed to the principles of Fair Trade, and as such will endeavour to ensure that all its members actively adhere to these principles in the production and trade of natural products. The primary instrument for achieving this is the Fair Trade Charter, to which all members must be signatory. Any member found to be in breach of the conditions of the Charter is therefore liable to expulsion from the Association.

Thus, while PhytoTrade is not able to guarantee that products supplied by its members are Fairly Traded, it is able to assert that its members are actively committed to Fair Trade principles and have signed a Charter to this effect. Moreover, PhytoTrade is able to facilitate audits of Fair Trade practice on its members if requested to do so, and financed, by a particular client.