



Fairtrade Cotton Impact Report

Photo: Fabian Sturm
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Landscape of Kacherbhadi
village under Bolangir
district, Odisha, India.
Photo: Ranita Roy



Fairtrade cotton

The cotton industry is worth over US\$50 billion a year, but five countries – China, India, the US, Pakistan and Brazil – produce the majority of the roughly 26 million tonnes of cotton harvested in each year. Along with Turkey and the European Union, heavy subsidies by these major players keep the global cost of cotton artificially low. This puts pressure on small-scale farmers in countries where governments lack the resources for similar subsidies.

Fairtrade works with farmers who've formed small producer organizations, as well as contract production organizations in the process of forming independent cooperatives. Many Fairtrade cotton organizations are in West Africa – namely Mali, Senegal, Cameroon and Burkina Faso. But it's India that grows the most Fairtrade certified cotton.



Fairtrade Cotton in numbers

£1.5 million

generated through sales, which
producer communities invest in
projects that matter to them



**62 thousand
hectares**

under cultivation

**54,840 Metric
Tonnes**

of seed-cotton grown



18%

of farmers are
female

44,480 farmers

across 8 countries

The impact of the Fairtrade Premium

Projects in Bolangir district, Odisha, India

The difference your support makes cannot be underestimated. Having a more stable income means farmers and workers can plan for the future and make dreams a reality. On top of the Fairtrade Minimum Price, Fairtrade co-operatives earn the Fairtrade Premium to invest in the community as they see fit.

OM Organic is a Fairtrade cotton co-operative located in Odisha, India. It is made up of 4,385 Fairtrade cotton farmers who are located in 145 villages in the region. OM Organic farmers used a part of their Fairtrade Premium to buy computers, to have access to the latest information on agricultural practice, like crop cycle and soil management, as well as government schemes and subsidies. These computers were also vital during the Covid-19 pandemic, allowing local children's education to continue online.

The farmers also used their Fairtrade Premium to build a community centre. Previously, they had to meet each other on the roadside, often made difficult by traffic, noise, and bad weather. Creating a community centre in the Ainlabhatta village means that farmers and their families now have a central meeting place. The community centre is used as a space for training on agricultural techniques, for cultural activities, and even for weddings.

Purchasing sewing machines, cows, and goats with their Premium has allowed the farmers to have additional sources of income. Young women in the community make and sell blouses, dresses, trousers and shirts. The farmers sell the goats for profit and sell the cow's milk, and use the cows to plough their fields. Adding milk to their household diets broadens the nutrition available to them.

Portrait of Rupadhae Sahu, a 42 year old staff of Om Organic in Nandul village under Bolangir district, Odisha, India.
Photo: Ranita Roy





Cow is roaming around the cotton field. At the end of the season for cotton production in Bolangir district of Odisha, India, the Fairtrade Premium Project with the support of Bansal Organic Grower Group starts. During this project the goal was to provide the producers with cattle, sewing machines, etc. The idea is that through this project, in the off season as well, the cotton farmers can survive through different facilities provided to them. Nandul village now got cows so that they can produce milk and dairy foods, sell them to earn and even use those product for their nutrition. Photo: Ranita Roy



New agricultural equipment are kept to be distributed among the villagers by Fairtrade with the support of Bansal Organic Grower Group provides at Kacherbhadi village in Bolangir district of Odisha, India. Photo: Ranita Roy

Droapadi Banchhor, 35, a cotton farmer is pouring cow milk in the pot. The cows were provided by Fairtrade with the support of Bansal Organic Grower Group during off season of cotton production. Photo: Ranita Roy



Milk product like Peda (Sweets), Milk cake and ghee is prepared by Droapadi Banchhor and her family from the milk of the cows, which was provided by Fairtrade with the support of Bansal Organic Grower Group. Photo: Ranita Roy

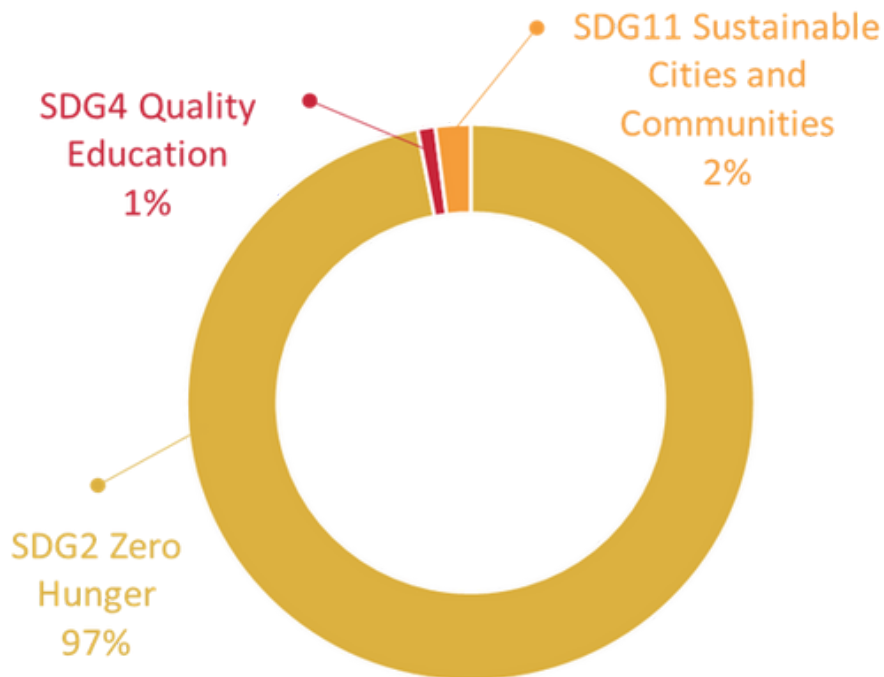


Debaki Nag, 32, with a sewing machine, which was provided by Fairtrade with the support of the Bansal Organic Grower Group.

Photo: Ranita Roy



How the Fairtrade Premium contributes to the UN Sustainable Development Goals (SDGs)



Fairtrade Premium investments made by cotton producer organisations goes primarily towards SDG 2 Zero Hunger with 97 percent of Premium spend in this area. These were activities that led to sustainable agriculture through the provision of agricultural tools and inputs. It is worth discussing why Goal 2 (Zero Hunger) features so prominently in the expenditure, although we typically associate Fairtrade with other SDGs areas such as No Poverty, Decent Work, and Sustainable Cities and Communities.

This is due to the UN's definition of SDG 2, which covers initiatives that support small-scale farmers, agricultural productivity and sustainable food systems. 2 percent of the Fairtrade Premium spending went towards SDG11 Sustainable Cities and Communities. This was used for community infrastructure and education services.



Group portrait of 38 years old cotton farmer Linga Raj Nag, his wife Debaki Nag, his daughter Sushrita Nag, his son Manish Kumar Nag and 11 years old Harshita Nag at Baguabahal village in Bolangir district of Odisha, India. Photo: Ranita Roy

Fairtrade Cotton farmers during COVID

Fairtrade support cotton farmers and workers in their response to crises like the Covid-19 pandemic.

Cotton farmers and workers were severely impacted by Covid-19, which disrupted production and exports. Lock-downs in India and other countries left workers unable to work and earn income. To support communities like these, Fairtrade established the Fairtrade Producer Relief Fund and Economic Recovery Fund.

These represent over €15 million to help with the immediate impact of the pandemic and invest in long-term resilience. Fairtrade also fast-tracked flexible use of the Fairtrade Premium in 2020, which enabled producers to purchase masks and disinfectant. They also diversified their crops as the demand for new clothes fell and employment became more scarce. In addition, Fairtrade provided relief to cotton producers in India by supporting them with seeds for cotton, vegetables and pulses. This contributed towards earning an income and food security for the cotton farmers and their families.

Cotton farmers and workers in their fight against the climate crisis

Cotton farmers and workers are facing irregular weather patterns, worsening soil conditions, and unpredictable floods and droughts. Fairtrade supports them in their fight for climate justice, as they stand up to the changing conditions, and take care of their land in the best ways they can for their local environment. For example, Fairtrade farmers use non-GM seeds through the Fairtrade Non-GM Seed Breeding Project to encourage natural growth, and the Fairtrade Standards means that farmers use fewer chemicals on their crops. Fairtrade provides additional training on regenerative agricultural practices, like working with nature and focusing on soil, water, and biodiversity conservation and carbon sequestration. In addition, 70-75 percent of Fairtrade cotton is certified organic.

Fairtrade farmers in their fight for civil and equal rights

Fairtrade farmers are supported to unionize, meaning they are free to form workers' unions and to stand together to secure more rights in the workplace. Within the Fairtrade system, farmers are represented at every level, including the board level, and any farmer can vote for their representatives. In India, the Producer Network NAPP (Network of Asia and Pacific Producers) also provides additional training on human rights to cotton farmers.



After the cotton cultivation is over, the trees are dry and some tools are still attached to the trees in Kacherbhadi village in Bolangir district, Odisha, India. Photo: Ranita Roy



Arun Kumar Biswal (50), Team Leader in Orissa for Chetna Organic is teaching how and why this blue and yellow strip to apply for pest control to the village ladies.

Photo: Ranita Roy



Fairtrade pilots additional income for organic cotton farmers

A majority of Fairtrade cotton is organically certified. Fairtrade itself is not an organic certification but encourages organic farming in the following ways:

1. Fairtrade has a higher Fairtrade Minimum Price for organic, usually about 20% higher than the Fairtrade Minimum Price.
2. Fairtrade farmer organizations often use up to 60% of their Fairtrade Premium on purchasing inputs for organic farming.
3. Fairtrade acts as a support structure for farmers in the first three years of the organic transition.
4. Fairtrade has a non-GMO seed production project running for over five years.

Fairtrade is piloting paying an extra sum of money on top of the market price for Fairtrade organic cotton in India. This pilot will see an extra 0.03€ per kg of seed cotton go into the farmer's pocket. Some might refer to it as 'rewarding eco-system services, but we are calling it the organic differential that the farmer gets in addition to the market price and Fairtrade Premium.

Why work with Fairtrade cotton?

Fairtrade is one of Sweden's best-known certifications: 9 out of 10 consumers recognize the Fairtrade mark! Among the younger generation, aged 15 to 34, the awareness is even higher. In this category, about 96 percent know about our certification.

With the Fairtrade label, you send a clear signal to the consumer. You show that your product is produced with respect for human rights and sustainable development.

We work with you to make sure your supply chain is supporting—not harming—the people and environment behind your products.

We provide:

- Third-party certification that people trust
- Supply chain transparency
- Rigorous, research-based standards
- Continuous monitoring and reporting
- End-to-end certified supply chains
- Global impact
- Campaigns to raise awareness



NOT YOUR TYPICAL TEE: CHOOSE A FAIRER DEAL FOR FARMERS



Footnote: These costs are based on an average t-shirt. Costs vary according to quantity, quality, country and the type of factory, brand and retailer and some costs might be additional or escalate.