

FAIR TRADE USA™



# Unlocking Economic Empowerment for Women

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**In a globalized economy, supply chains can be a challenge to manage and have the potential to be sources of human rights violations, such as forced labor, child labor, and human trafficking.** These risks disproportionately affect women and girls, who are more vulnerable to exploitation, particularly in regions that uphold limiting and harmful gender roles. Gender inequity itself can also be a source of labor and employment risks. Women are often paid less than men for the same work, are more likely to work in informal or low-paying positions, and experience additional barriers to accessing resources that help them succeed.

These factors are ethical concerns and create a potential landscape of poor working conditions, lower productivity, and higher turnover – all of which can impact the reliability and stability of supply chains. According to a report by the International Finance Corporation, women comprise more than 40% of the global agricultural labor force – and their agricultural productivity is estimated to be up to 30% lower than men’s because of constraints in access to training, finance, leadership and participation opportunities, and [labor-saving technologies](#).

Imagine the benefits for women, their communities, and the organizations that employ them if they had the opportunity and resources to fully participate in production. By investing in equity and inclusivity, companies can increase productivity as well as innovation, ensuring that diverse perspectives inform product and service development. Fostering gender equity not only protects the well-being of women, but it also supports the growth and stability of the supply chain.



*Connoisseur Fashions, India*



## Sustainability Standards Recognize the Importance of Gender Equity

Governments, investors, and businesses are increasingly exploring methods for monitoring sustainability in the communities that grow or manufacture commodities we consume. As a result, numerous standards across industries have been designed to measure sustainability. Gender equity is included in the majority of these standards. The consistent inclusion of gender equity parameters demonstrates a shared consensus that monitoring statistics related to women in the workplace is a cornerstone of sustainable production.

### **Below are some examples of standards, frameworks, and social sustainability accounting systems that include gender equity:**

- The [SDGs](#) are a set of 17 broad and comprehensive goals established by the United Nations to promote sustainable development, covering issues such as poverty, education, and gender equality. Goal 5 specifically addresses gender equality and aims to empower women and girls and eliminate all forms of discrimination and violence against them. Other goals, such as Goal 8 on decent work and economic growth, also address issues relevant to gender equity.
- Similarly, the [World Bank's Gender Strategy](#) seeks to reduce the gender gap in 4 critical areas: the workforce (human capital); economic productivity; access to finance; and empowerment.
- [B Corp](#), a certification for businesses that meet high social and environmental standards,

requires that companies provide fair and equal opportunities for all employees, including women and other underrepresented groups. Businesses must also demonstrate a commitment to gender equity by promoting diversity and inclusivity in their workforce.

- The Sustainable Development Performance Indicators ([SDPI](#)), a framework for measuring and reporting sustainability performance, includes indicators related to diversity and inclusion in the workplace, such as the percentage of women in leadership positions.
- The Sustainability Accounting Standards Board ([SASB](#)), a framework for reporting sustainability performance that is industry-specific, includes topics such as diversity and inclusion, employee health and safety, labor relations, and topics relevant to gender equity such as pay equity and discrimination.

Fair Trade USA believes that women's empowerment and closing the gender equity gap are critical for sustainable business and sustainable development. The Fair Trade Certified™ program was developed—and continues to be refined—based on both internal and external research, including the extensive applied research of intergovernmental and international sustainability standards. As such, Fair Trade USA's Agricultural, Capture Fisheries, and Factory Production Standards all contain measures to ensure the safety and equity of women.

**EMPOWERMENT** refers to the ability of an individual or community to take ownership of their life and choices with confidence and the related sense of accomplishment and well-being due this ability to make decisions for themselves that affect their livelihoods and trajectories. Women's empowerment refers to this ability specifically for women and girls as individuals and a collective.





## Fair Trade Certified Programs Help Close Gender Equity Gaps and Foster Stable Supply Chains

### Fair Trade Certified Program and Standards

All aspects of the Fair Trade Certified program, from the standards and certification process to the Fair Trade Community Development Fund, are intended to uplift the voices of those who have traditionally been in the background and less included.

The mandate that Fair Trade Committees must be representative of the workforce or the smallholder group, including gender, is one of the many ways the program promotes women's empowerment.

Committees, composed of democratically, peer-elected program participants, manage the use of Community Development Funds. By ensuring that (women) are proportionally represented on these governing bodies, it ensures that they are included fairly in the decision-making process. Through all-member voting, women can be active participants, regardless of their role in the community or the workplace. As a result, women's participation and satisfaction increases with the existence of the Fair Trade Certified program.

The Fair Trade Certified program has also introduced measures to protect women from gender-based discrimination and sexual harassment in the workplace. Businesses are required to operate with an Internal Management System (IMS) that has a formal anonymous complaint mechanism. This system allows Fair Trade USA to stay well-informed on women's working conditions and helps businesses create an environment where women can feel safe, thrive and fully contribute.



*"The purpose of Café Femenino is to make visible the contribution women make not only to the household economy, but to the community and umbrella organization CECANOR. It also aids in providing women the same opportunities and respect in these mentioned spaces. By doing so, women gain confidence, status, are protected from marginalization, and it even motivates them to develop new ventures."*

– **Isabel Uriarte Latorre**, founder of the Café Femenino, a select brand of coffee grown only by women. San Miguel, Peru



## Fair Trade USA's Monitoring and Evaluation

A recent Fair Trade USA study<sup>1</sup> indicated that women hired laborers who voted on the program's Community Development Projects reported the highest levels of satisfaction with the program. 70% of these women reported satisfaction with the program, while 66% said that the Fair Trade Certified program led to a positive change in their lives. The study found that, in situations where women formed a voting majority and showed high levels of decision-making participation, satisfaction for all participants (men and women) was higher than in situations where women did not hold a voting majority or had low voting participation.

This learning has informed the strategy to enhance the program's impacts on gender equity and women's empowerment outcomes. It also demonstrates that women's participation is one of the biggest opportunities for improving their lives and the lives of their community members.

As part of Fair Trade USA's commitment to understanding how fair trade impacts women and girls, the organization is developing its capacity for gender analytics. For example, it now can identify child school attendance by gender to gauge the effects of the program and the variance between how girls and boys fare in these communities. This type of data also highlights areas where women would benefit from additional support and ensures the Fair Trade Certified programs' services are meeting their needs.

Because gender issues are nuanced and often overlooked, Fair Trade USA prioritizes listening to participants regularly through extended interviews and focus groups in addition to household surveys. This method of gathering data and follow up allows for longer and more detailed conversations about women's experiences with gender-based disadvantages in their local communities, and ways Fair Trade Certified has helped them overcome some of these inequalities.



*This group of tea growers started an organization to help empower women in their community to become better farmers. They have created training programs on how to grow food gardens that will provide food security as well as be a source of additional income. They are also getting more women involved in tea farming (men currently earn most of the income from tea growing in this region) so that they can play a bigger role in the decision-making in their households.*

– Mpanga Growers Tea Factory, Uganda



## In Their Own Words: Women Reflect on the Impact of Participating in the Fair Trade Certified Program

Between 2019 and 2021, the Fair Trade USA Monitoring & Evaluation team spoke to over 100 program participants who identified as women in Mexico, Peru, the Philippines, Chile, Honduras, Indonesia, Colombia, Ivory Coast, and India. These conversations illuminated a richer, cross-case understanding of the program's impacts on women's empowerment and gender equity outcomes. Here are five major themes from those interviews.

### 1. Women in Leadership Positions

The Fair Trade Certified Program created opportunities for women to move into leadership positions – whether as treasurers, Fair Trade Committee members, or organizers, they reported the program provided opportunities that were not previously accessible.

Speaking on the experience of having a leadership role, a 29-year-old farmworker in Mexico said: “Yes I love it, I have learned a lot, we had to do a lot of legal work that always helped us learn.” Meanwhile, Maria, a 40-year-old program participant in Chile shared: “I am the treasurer ... and it has been a great experience because I have learned a lot.”

Even in cultural contexts where women are discouraged from participating in decision-making, participants were still able to gain more agency. One participant explained that, although she does not speak publicly, she shares her ideas in a women's group where they can exert influence collectively. She continued:

*“The cooperative has enabled us as women to be a little self-sufficient. We think together, we have ideas that we put in place, such as having a solidarity fund, something we did not have before, and together we think with the cooperative to be able to set up a lot of things.”*



*Children attending a new school built in Koffikro by “womens group”*

An example of the power that such “women's groups” exert is evidenced by the women's success and leadership that resulted in building a school in Koffikro, a cocoa farming village in the Ivory Coast.

### 2. More Opportunities to Access Credit

Through Fair Trade Certified cooperatives, some smallholder women farmers were able to access low-interest loans to improve their businesses. A coconut farmer explained how she accessed the low-interest rate loans and easy repayments to also increase her business volume:

*“I used the money [of the lending program] for buying and selling of vegetables and for my pigs. I was able to borrow 5 times because I am a good payer. It is more convenient to borrow from the*

*cooperative rather than from other micro-finance institutions in our town. Most of these other micro-financers require weekly re-payments, which means you have to pay every week, and this is very hard for us. With the group's lending program, you can opt to pay the whole amount after 6 months, which is easier for me. It also has very little interest."*

### 3. Community Development Projects benefiting the entire community

Smallholder cocoa farmers in the Ivory Coast highlighted the benefits women were able to experience because of major Community Development Projects: a maternity ward was built to provide pre- and post-natal care to women and newborns; a water pump eased the burden of fetching clean water, while a village school eased mothers' worries about their children having to travel for miles to go to school each day.

*"The women in labor needed to go a very far way to Abronamoue [and my] brother's wife ended up delivering on the side of the road."*

The maternity ward contributed to the health of pregnant women and their infants in the community.

### 4. Trainings and Knowledge Exchanges

Because women are equal participants in Fair Trade Certified programs, trainings are equally available. A few surveyed said that trainings went beyond work-related skills and addressed topics such as parenting and financial planning.

Female participants in the Ivory Coast shared their appreciation for the role women's associations played in teaching money-saving skills and techniques, while coffee farmers in Peru provided beekeeping training for wives of farmers, offering a new source to generate their own incomes.

Women farmers also responded that access to trainings helped with their farm work. 64-year-old Adela, in the Philippines, said she was very happy with the technical advice and training she received at their general Assemblies:

*"I was really happy because when there is a General Assembly, they always discuss methods, how to properly harvest, how to take care of your farm."*

Similarly, women from the Ivory Coast attended regular trainings reviewing best agricultural practices.



*"As women we come together for trainings and try to find out how to add value to the coffee that we grow. I also enjoy other trainings through the women's association like tailoring and sewing."*

– **Francine Uwamahoro**, coffee farmer and member of the Abakundakawa cooperative. Gakenke District, Rwanda



## 5. Easing Labor Strains on Women

Many women reported that the tools purchased with Fair Trade Community Development Funds made their lives easier. Women farmers were equipped with more effective tools that eased the burden of physical labor, while hired laborers in factories benefitted from reduced domestic work. The purchase of useful household appliances, such as washing machines and food grinders, alleviated the time burden of domestic work which limited their participation in other skills development.

In India, Sulekha, 31, shared:

*"Since we're busy working the whole week, using the washing machine on Sunday helps us save a lot of time. We get a huge pile-up of clothes by then. We wash our clothes in the washing machine instead of my hands and it helps us save time and the clothes are washed quickly..."*

In the Ivory Coast, a cocoa farmer said the equipment the cooperative brought her made her happy because as a woman, "it is difficult to work in the field and at the same time buy the products to come to work; the machetes, all that. It's complicated, considering we're in a fairly rural area; there is no money. Suddenly, all that was brought to me as material to work in the field, it's something that relieves me enormously; because before, I didn't have that."

## Conclusion

Women in countries around the world are more susceptible to endemic poverty, gender-based discrimination, and abuse. While this report focuses on Fair Trade USA's work in less developed countries, gender-driven challenges also persist in industrialized nations around the world. These issues are pressing and will become increasingly important due to the integral roles that women play in their communities.



*Sulekha from Pratibha Syntex Cooperative, India*

The women and women-identifying participants in the Fair Trade Certified program's key components empower themselves, each other, and their communities. They accomplish this by gaining access to credit, taking advantage of program-hosted trainings, gaining leadership experience, participating in community decision-making, easing burdens of paid and unpaid labor, and building vital community infrastructure such as maternity wards, schools, and local access to safe drinking water. When their quality of life improves, women can innovate in their communities and in the workplace. When working environments are safe and supportive of women's health, work attendance is more consistent, and employee retention increases. These women are freed to tap into their own potential, creativity, and connection to their local communities to address more complex problems and generate long-term solutions.

Fair Trade Certified remains committed to closing the gender gap in economic opportunities and recognizes that the empowerment of women is vital to sustainable development and supply chain resiliency and production efficiency.





## About Fair Trade USA

Founded in 1998, Fair Trade USA™ offers award-winning, rigorous, and globally recognized sustainable sourcing certification programs that improve livelihoods, protect the environment, and build resilient, transparent supply chains. Its trusted Fair Trade Certified™ label on a product signifies that it was made according to stringent fair trade standards. Fair Trade USA is building an innovative model of responsible business, conscious consumerism, and shared value to eliminate poverty and enable sustainable development for farmers, workers, their families, and communities around the world. Fair Trade USA is a tax-exempt 501(c)(3) nonprofit organization and the leading certifier of fair trade products in North America. Fair Trade USA achieves its mission by empowering producers around the world with the business training, environmental knowledge, and capital investment necessary to create high-quality products that can compete in global markets, and by certifying and promoting fair trade products.



<sup>1</sup> This study surveyed over 3,500 participants in 9 countries.



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