



Trading out of poverty

Fair Trade and Access to Markets Program in South America



A World Vision Australia Case Study



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Message from the Regional Vice President for Latin America and the Caribbean

Throughout Latin America and the Caribbean, almost 60% of all children – over 100 million of them – live in exceptionally difficult conditions that are mired in poverty.

Our goal in this region is to respond to this situation. Specifically, we aim to contribute to the formation and empowerment of a network of five million boys, girls, teenagers and young people, for whom we seek life in all its fullness and with whom we contribute to the transformation of Latin America and the Caribbean.

In order to achieve this goal we need to support children, their families and communities to identify and overcome the obstacles that prevent them from living life in all its fullness.

This Fair Trade and Access to Markets Program, which has been largely funded by World Vision Australia, is a great example of this approach. It attacks the causes of poverty and empowers the people we work with to improve their own lives.

Working with small producers in Brazil, Chile, Bolivia, Ecuador, Peru and Colombia, this program is guided by principles that are considered fundamental for success in the region. These include sustainability, greater opportunities for the poor and reduced economic inequality. The program helps community members help

each other. This way, we can ensure that the process of positive change continues long after World Vision's development staff have left.

Some 60% of people in developing countries are involved in food production. And agricultural tariffs in rich countries are among the highest. The program started with melon growers in Brazil, and generated greater income for participating melon farmers, as well as an increased awareness throughout the region about unfairness in the global trading system.

After eight years, this program has enabled hundreds of similar small agricultural and craft producers to break out of poverty. This publication documents the experience of some of these hardworking people.

On their behalf, I want to express my special gratitude to all those involved in this work and for the partnerships built and nurtured through this innovative program. Together, through this work, we can continue to improve our understanding of development in order to achieve our goal for the people of Latin America and the Caribbean.

Corina Villacorta
Regional Vice President
World Vision Latin America and Caribbean Regional Office

“After eight years, this program has enabled hundreds of similar small agricultural and craft producers to break out of poverty.”

What is fair trade?

“Like aid, trade has the potential to be a powerful catalyst for human development. Under the right conditions international trade could generate a powerful impetus for accelerated progress towards the Millennium Development Goals (MDGs). The problem is that the human development potential inherent in trade is diminished by a combination of unfair rules and structural inequalities within and between countries.

“The evidence suggests that more attention needs to be paid to the terms on which countries integrate into world markets. Fairer trade rules would help, especially when it comes to market access.”¹

Fair trade and improved access to markets endeavour to address these issues and provide an alternative. They aim to benefit farmers, workers, artisans, consumers and businesses through fairer prices, long-term direct trading relationships, sustainable community development, ecological sustainability and respect for human rights and gender equity.

This means fair trade is a partnership based on dialogue, transparency and respect between producers and consumers. It means paying a fair price to ensure producers are not exploited and can live a dignified life. It means creating a level playing field and offering fair trading opportunities to all producers, not only large corporations. By focusing on the right to a dignified and safe life and a sustainable environment, fair trade contributes to ongoing development by offering better

trading conditions, better income and a better life for small and marginalised producers.

Around the world, fair trade organisations and a growing number of consumers are actively supporting poor producers – by raising awareness of the conditions in which poor producers live and by campaigning for changes in the rules and practices of conventional international trade.

And it's working. The European-based Fairtrade Labelling Organizations International (FLO) estimates that fair trade sales in Europe, which represent 60% to 70% of the fair trade market, have been growing at an average of 20% each year since 2000. The annual net retail value of fair trade products sold in Europe now exceeds 660 million euros.² While it is still a tiny part of all global trade, fair trade is setting standards and breaking down barriers to allow small producers from poor countries into the global market.

What can you do to support small producers?

Educate yourself and make sure the products you buy, including food, clothing and crafts, have been obtained in a fair manner.

If you are keen to learn more about fair trade and access to markets, visit the following websites for further insights:

fairtrade.net
donttradelives.com.au
tenthousandvillages.com/php/fair.trade/index.php

¹ United Nations Development Programme (2005), Human Development Report 2005, New York, p9,10, Available at http://hdr.undp.org/en/media/HDR05_overview.pdf

² Fair Trade News Bulletin (2006), p12, Available at http://www.fairtrade.net/uploads/media/News_Bulletin_April_2006.pdf



The need

Inequality – a symptom of exclusion

Inequality in the LAC region is among the highest in the world.

In 2007, the Latin America and the Caribbean (LAC) region marked a fourth straight year of growth in excess of 5%, with Gross National Income per capita at US\$5,540.³

There is cautious optimism about longer-term growth prospects for the region.

However, the region continues to grapple with the challenge of ensuring that the benefits of economic growth reach its poorest citizens. Inequality in the LAC region is among the highest in the world, with the richest 10% of the population receiving 41% of total income and the poorest just 1%. Poverty reduction has stagnated in recent years, leaving 47 million people in the region – more than 8% of the population – mired in extreme poverty.⁴

Of the 15 most unequal countries in the world – comparing the richest 10% of the population with the poorest 10% – ten of these countries are in Latin America and the Caribbean (see Table 1).

Brazil is a good example of this situation. According to the World Bank, despite significant economic development in recent years, the poorest 20% of Brazil's 182 million people share only 2.4% of its national income. Some 21% of the population, or 39 million people, live on less than US\$2 a day and 8% live on less than US\$1 a day.⁵ Average income is three times higher in Brazil than in Vietnam. Yet the incomes of the poorest 10% in Brazil are lower than those of the poorest 10% in Vietnam.⁶ Brazil's northeast contains the single largest

concentration of rural poverty in Latin America.

One key reason for such disparity is that small producers are marginalised; they are largely excluded from the domestic and global markets.

The table below is an illustration of the 15 countries that have the greatest income disparity worldwide.⁷

Table 1. Ratio of the income or expenditure share of the richest 10% of the population to that of the poorest 10%

Ranking	Country	Ratio
1	Bolivia	168.1
2	Namibia	128.8
3	Lesotho	105
4	Sierra Leone	87.2
5	Haiti	71.7
6	Central African Republic	69.2
7	Paraguay	65.4
8	Colombia	63.8
9	Panama	57.5
10	El Salvador	57.5
11	Brazil	51.3
12	Venezuela	48.3
13	Guatemala	48.2
14	Niger	46
15	Ecuador	44.9

³ The World Bank (2008) The World Bank Annual Report 2008, Washington, DC, p46. Available at <http://web.worldbank.org>

⁴ Ibid

⁵ Ibid

⁶ United Nations Development Programme (2005), Human Development Report 2005, New York, p6, Available at http://hdr.undp.org/en/media/HDR05_overview.pdf

⁷ Figures taken from United Nations Development Programme (2008) Human Development Report 2007/2008. Available at <http://hdr.undp.org/en/reports/global/hdr2007-2008/>



The need

Uneven playing field – the rules of the game

...the world's highest trade barriers are erected against some of its poorest countries...

There are three key constraints for small producers in Latin America: they lack resources; they lack market information; and they are ill-equipped for collective marketing.

For small producers, access to market or price information is limited and, as a result, many become increasingly dependent on intermediaries (coyotes), which in turn sees them receive smaller and smaller returns for their work. Too often, they lack the opportunity to participate in the decisions that affect their lives, becoming disempowered and remaining poor. In bad times, many lose their only property – their land – and thus their livelihoods.

Producers will benefit by improving produce quality and diversity, building links with local and regional markets, then moving on to national and, perhaps, international markets. This takes time and money. And without diverse outlets for their products, to balance out the boom and bust nature of the market, especially for primary products, small producers struggle to compete.

Small producers in the LAC region don't have the protection of the buffer funds that larger corporations have; they are vulnerable to seasonal price fluctuations, currency variations and swings in global trade; and they have minimal infrastructure for production and distribution. Nor do they have the required technology.

These factors erode whatever competitive advantages small producers might have over big businesses.

For example, large corporations in the US produce corn for roughly 40% of what it costs small producers in Mexico. While average yields are eight tonnes per hectare in the US they are 1.8 tonnes per hectare in Mexico.⁸

Global trade is increasingly concentrated in the hands of a relatively small number of large-scale corporations. These corporations are able to edge small businesses out of the market, due to economies of scale, better technology and other cost cutting measures.

Moreover, the world's highest trade barriers are erected against some of its poorest countries: on average the trade barriers faced by developing countries exporting to rich countries are three to four times higher than those faced by rich countries when they trade with each other. In addition, some rich countries subsidise their own production, especially in agriculture. "They now spend just over (US)\$1 billion a year on aid for agriculture in poor countries, and just under \$1 billion a day subsidizing agricultural overproduction at home."⁹

In order to address the causes of inequitable access to markets for poor producers, the rules of the game need to be challenged.



⁸ Seedling (2000). Genetic Resources Action International, Available at <http://www.grain.org/seedling/?id=14>

⁹ United Nations Development Programme, Human Development Report 2005, New York, p9,10, Available at http://hdr.undp.org/en/media/HDR05_overview.pdf

3

The need

The story so far – a potted history of the FTAM program

The aim was to increase productivity and consequently income.

For many years, World Vision Brazil has targeted the structural constraints of development by promoting micro-economic development projects. These were primarily microfinance and business development services, targeting appropriate technology, new products, management skills, and start-up capital. The aim was to increase productivity and consequently income. However, even as poor communities managed to increase and improve their production, they still faced the hurdle of market access.

In response, in 1999, World Vision Brazil included market access in its program scope. With target communities, new projects were developed that built strong trading capacity and new trade chains – chains that incorporated small producers' organisations, market research, product selection, production improvement, micro-credit, labelling, packaging, legal support, paper work, shipping, selling, and charging.

In 2003, World Vision Brazil, with support from the Inter-American Development Bank (IDB), created a

trading company called Ética (Ethics). Ética is a joint venture with several poor producer associations and it operates as a selling agent to partners around the world.

In addition to support from the IDB, World Vision Australia has provided ongoing support to this program since 2000, through the following projects:

- Local Development Enhancing Food Security (October 2000 to September 2002, funded by AusAID);
- Community Development Linkages (October 2002 to June 2005, funded by AusAID);
- Fair Trade Brazilian Program (July 2005 to June 2006, funded by Child Sponsorship).

Currently World Vision Australia supports the Latin America Fair Trade and Access to Markets Program (FTAM) – Regional Program (October 2007 to September 2010, funded by Child Sponsorship), which has links to national FTAM projects in Brazil, Chile, Ecuador, Colombia, Peru and Bolivia.

The FTAM program discussed in this document refers to this series of projects.





Glayson Ferrari dos Santos — interview with the program manager

World Vision believes that cooperation is fundamental to any improvement.



What sparked the need for the FTAM regional program?

The economy is complex. Everything that happens in one part of the world affects another. This is globalisation. Only by working together and by participating in networks is it possible to win and maintain access to markets for small producers, to live by fair rules, and to guarantee policies that promote social justice.

Given the political and social tendencies in Latin America, including the strength of the market and the weaknesses of many government programs, some non-government organisations (NGOs) have set out to raise their voice, in a concerted way, to promote economic justice in the political and commercial sphere. World Vision identified the need to first, strengthen the capabilities of its economic development leaders, then connect them into a network to establish regional cooperation, and thus, have influence at the highest levels in promoting a fair and sustainable economy.

How have you addressed the important area of advocacy?

Because economic advocacy is still something new in our projects, this is a key area for us. There are many challenges in understanding the impact the economy has on the poorest communities. It is clear that a project must not only be successful at a grassroots level, but must also aim to change unjust structures at the macro level. First, we need to identify the best ways to influence national agendas in each country. Each World Vision office in the program is looking towards other partners to jointly develop and strengthen networks that can influence economic decisions. The next step is to strengthen regional platforms. Ultimately, we need to be able to affect multilateral organisations in the region and to build alliances with companies, to promote the idea of genuine, corporative, social responsibility.

This will hopefully take the region to a point where it can influence global decisions about the social, economic and political issues.

How can organisations such as World Vision better support FTAM in the region?

World Vision believes that cooperation is fundamental to any improvement. Cooperation diminishes an organisation's weaknesses, because the whole is greater than the sum of the parts. Thus, World Vision looks to liaise with all stakeholders — those on the land, other NGOs, governments, social movements, multilateral organisations, churches and the private sector. Currently there are many opportunities for cooperation



at these different levels. So FTAM is not a World Vision program per se. It is much more. It's a community project. By this I mean we are not the owners; we want to be partners in a broad community that believes it is possible to expand beyond Latin America to address inequality across the planet.

What do you see is the future of fair trade and access to markets in the region?

Fair trade is not the economic solution, but it opens the door to discussion about more sustainable, inclusive,

fair and collaborative economic alternatives. There will be no single alternative model in the world. There will be several alternative models that address specific, regional differences. But they will have very similar principles, values and objectives.

More than a movement, fair trade and economic solidarity will have a positive impact on many economies worldwide. And we hope they are taken up not only because they are sustainable models, but because of a deep conviction that this is simply justice.

Long live a plentiful life!
Long live fair trade!
Long live economic solidarity!
Long live the possibilities for a better world!



New skills, finding markets and advocating for change

Art Gravatá now better understands the dynamics of the market and the need to be up-to-date.

World Vision's current FTAM regional program aims to facilitate inclusive markets to reduce poverty among small producers in six countries – Brazil, Chile, Ecuador, Bolivia, Peru and Colombia.

It has a three-pronged approach: offering technical support to small producers and micro-entrepreneurs to build new skills; finding and developing commercial markets; and advocating for consistent, fair and ethical markets for the region.

Support services include technical assistance and consultancy, capacity building, microcredit, and marketing linkages. For example, Art Gravatá is a small association of 30 people in Gravatá, in the state of Pernambuco, in Brazil. These handcraft workers produce wooden educational toys. Although they have existed for 27 years, they had not established themselves in the market. With specific training, the workers at Art Gravatá now better understand the dynamics of the market and the need to be up-to-date. They now constantly develop and offer new products to meet demand.

Making the links to develop markets for producers is at the heart of the project. Facilitating commercial markets starts with strengthening and consolidating networks with key players to improve product quality, pricing, positioning, promotion and packaging. Project staff and partners offer assistance in each of these areas. For example, work was done with a group of women who make tiny dolls. This work helped the group develop skills to accurately measure the time they spent making the dolls, to manage a thorough quality control process, and to calculate a “dignified wage” for their labour.

Advocacy, in the sense of aiming to change government policies and economic structures, is crucial to the long-term success of this work. Through this project, World Vision Brazil has been active in campaigns to promote fair trade, and in setting up producers' networks in partnership with the FACES do Brasil (Brazilian Fair Trade Forum), in order to increase momentum and pressure governments and business to come on board.





Ética — the ethical trader

Ética works together with cooperatives and small producer associations and NGOs by creating opportunities for employment and income...

Many of the support services offered by the FTAM project are provided by Ética: Comercio Solidario, a joint venture partnership between World Vision and small producer associations that operates as a trading agent. Ética is a different sort of business. It does not have a commitment to make profit. But it does have a commitment with society. Ética works together with cooperatives and small producer associations and NGOs by creating opportunities for employment and income through trading products in internal and external markets. Among the products traded by Ética are handicrafts (decorations, utensils, small gifts, cloth, embroidery, paper products, toys), clothing (t-shirts, fashion accessories) and farm products (nuts, honey, vegetables, fruits), both conventional and organic. In the area of advocacy, Ética campaigns for a trade system where market access is fairer and where there is a greater sense of solidarity between producers and consumers. It does this by strengthening fair trade producers' networks and forums; building consumer awareness campaigns; facilitating the participation

of fair trade producers in the national and international debates on trade; committing with other civil society organisations to monitoring and taking action on international trade; and promoting seminars and debates on national public policies. One of its principle partnerships is with the FACES do Brasil. This partnership promotes debate about the fair trade rules and brings together other organisations that have expertise in specific areas to enrich the debate and take the demands to national and international levels. Ética is currently expanding as a regional trade facility with a training centre that will employ face-to-face and virtual educational methods. Based in Recife, Brazil, and using its previous successes and experience, it will be the base of support and coordination for this regional FTAM program. With certification from the Fairtrade Labelling Organization International (FLO), the Organic Institute (IBD), and Brazil-Organic Certification (ECOCERT), Ética's vision for 2010 is to become a reference point for fair, ethical and solidarity-based trade for the region.



Support services offered by Ética:

- Prospecting of national and international markets
- Marketing
- Business rounds and trade fairs
- Advice on trade missions and business negotiations
- Support in marketing
- Support in exporting processes
- Attracting investment partners
- Formation of commercial consortia
- Participation in internet marketing strategies
- Participation in public procurement processes
- Monitoring of fair trade criteria
- Support in international fair trade certification

Ética's fair trade principles:

- The wellbeing of society is the best business
- Social justice
- Transparency
- Fair remuneration for the producer
- Solidarity
- Sustainable development
- Respect of the environment
- Promotion of women
- Defence of the rights of children
- Transference of technology
- Empowerment of individuals

The intervention

Cooperatives — many hands make success

Cooperatives
have also helped
unite different
producer groups
within the region.

Organising themselves into cooperatives provides the fair trade producers in the FTAM program the chance to be sustainable and have independence from World Vision support.

Currently, many producers (both artisans and farmers) who find it beneficial to form cooperatives receive specific training for business cooperatives.

Farmers in Brazil, for example, formed a sellers' cooperative to jointly sell their produce in the regional centre, Mossoró. In Chile, artisans who create silver jewellery found it more productive to work together in a common workshop, thus saving on tools and sharing ideas. When asked about the financial benefits of working in a cooperative, one member of a women's sewing cooperative in Brazil responded: "I know I'm now making more money. At the same time, I now feel like I am valued. My self-esteem has grown because I'm part of a team."

Cooperatives have also helped unite different producer groups within the region. For example, in Chile, some producers offer wool, while others can make woollen sweaters, but do not have access to cheap wool. Fair trade cooperatives are trading between themselves.

In this particular case, FTAM project staff offer training and other non-financial support for up to a year in order to help the cooperative become fully independent. One staff member works with each group on quality control to increase the chances of accessing markets.





The intervention

An example from Chile — Luisa's story

“We now feel we’ve made many advances...because now we earn enough money to contribute to the home.”

The Solidarity Trade Project in Chile, which is a part of the FTAM program, was established in the south of the country several years ago. It was designed to provide stable and fair employment for poor women. The project provides women with training in knitting, sewing or weaving, and guides them in areas of entrepreneurship, market access and the uses and benefits of small loans.

Luisa Sandoval is president of the group of Mapuche textile craftswomen from Conun Hueno, and participates in this project. Using a weaving loom she creates table runners and other bright, woven cloth. Luisa's skills were passed on from her mother, and have been a part of the family for hundreds of years. Until she heard of Solidarity Trade, Luisa had only weaved for her family.

Luisa talks about her involvement: “In 2000, a group of indigenous Mapuche artisan women decided to organise ourselves. At the time, World Vision offered us the possibility of developing our community through a child sponsorship program. At first our husbands didn’t agree with our idea because they had no real

understanding about what we really wanted to do. At that stage, many women left, and our large group became six. Still, during this time we found small projects to complete, and received more support. So we eventually began to grow in number and network with others, and finally our group grew to 18.

“During the first two years of the project we dedicated ourselves almost entirely to sewing trims with orchard themes. Most of us sold our work at fairs and markets.

“I was the only one who could weave because I had learnt when I was 12 from my mother, who always spoke about the importance of weaving. After two years the manager of Solidarity Trade at World Vision asked me if I would make small woven strips, blankets, scarves and shawls. As the orders increased, I alone could no longer supply the demand, so I began weaving with other women to make sure we could meet this demand. And the products were all sold.

“None of these partner artisans knew how to weave, so the World Vision staff gave us training and qualifications and we learned

how to better weave on a small loom. Then when there were fairs and exhibitions we took these products there to sell. Later we had two more trainings on different designs, colors, spinning and loom techniques. With the designs in our heads and help from Maria (World Vision staff member), we were able to take these design ideas from our minds and create them.

“After we had been working like this for some time, we became more serious, meeting once a month to review the orders we had, to consider new products, to organise

our participation in fairs, and to pay the contributions we used to cover shipment expenses.

“When we have an order we all come together and review our work to ensure the quality of the products we send is high. When the designer in Santiago has to give it back to us, which can happen any time, we’re not very happy. But we now see that it’s a way to learn, to make the best things and to demand the best standards from ourselves.

“We now feel we’ve made many advances, and actually we have

proof, because now we earn enough money to contribute to the home. And, for us, this means we are more independent. And our husbands do not have anything negative to say to us, because they see that everything we complete goes out and is sold.

“We are now producing table runners, blankets, scarves, shawls, everything from natural wool, hand-dyed with natural plant dyes. When we look to the future we dream about working only with product orders, selling more and continuing to perfect our art.”





Networking – making the links

World Vision Brazil played a key role in influencing the Brazilian Government's procurement policy to increase the likelihood of the government purchasing fair trade products.

Actors in any product supply chain – producers, traders, consumers, businesses, government institutions – are often unaware of fair trade initiatives, or do not know how they work. So it is important to make connections with national and international trading organisations, and build networks that focus on giving producers a voice. Influencing government policies is also critical. World Vision Brazil has regular discussions and negotiations with members of the Brazilian Government, and in 2006, organised a government fair trade visit to Europe for discussions with the Dutch Government. It also played a key role in influencing the Brazilian Government's procurement policy to increase the likelihood of the government purchasing fair trade products. In partnership with the Fundación Chol Chol, World Vision Chile sponsored the first fair trade national seminar in November 2006. It provided World Vision with an opportunity to share experiences with other organisations involved in fair trade, and to learn from small producers and intermediary organisations. Through the seminar, World Vision Chile established and consolidated links with fair trade



organisations, which placed it in a better position to explain and promote fair trade nationally. With advocacy a key component of this project, such gatherings focused not only on learning new skills and finding new markets, but also on raising awareness and changing national and regional policies. At the International Seminar on Fair Trade, held in Bolivia in August 2008, the focus was on constructing an agenda of policy engagement for Latin America. This included discussions with businesses regarding corporate social responsibility. Contributions came from a broad range of actors and organisations, including Glayson Ferrari dos Santos, World Vision's FTAM program manager, Latin American Network of Solidarity Trade (Relacc), International Fair Trade Organization (IFAT), Brazilian Forum for Solidarity Economy (FBES) and the National Community Trading Network of Bolivia (RENACC), as well as a representative from the Bolivian trade ministry. Making these links – between producers, business, government and trade networks – is how the FTAM program aims to change the policies that limit access to markets for the poor.





The results

Market access — more small producers selling in more distant markets

“Thanks to these exports, we can see improvements such as self-esteem and an increased salary.”

The results of Brazil's market access project have been positive. Small producers have expanded their markets to more than 15 countries in Europe, the US and Japan. Within the domestic market, partnerships have been developed with supermarkets and other stores to increase sales outlets.

Since 1999, the various FTAM projects in the six participating countries have supported more than 5,000 poor producers to improve access to markets. By 2007, the program had achieved more than US\$3.5 million in sales.

Initially, the projects focused on agriculture. Export of melons to Europe, for example, increased from 45,000 boxes in 2000, to 75,000 in 2001, to 177,000 in 2002. From 2001, the Brazil Fair Trade Program invested in handicraft projects. Most of the craft products were sold in some 400 fair trade shops in Holland, Belgium and Luxembourg. This market grew from US\$9,300 in 2002 to US\$52,700 in 2004, a 466% increase. As a result of this program, cashew nuts produced by COOPERCAJU (a cashew producing cooperative) in Serra do Mel were exported to Switzerland, Italy and Austria. By 2007, fifteen tonnes of cashew nuts were shipped every year, providing an income equivalent of US\$180,000, directly benefiting about 100 small farmers and another 500 people indirectly.

Ética has now developed markets in Brazil, Holland, the US, Japan and France to export both agricultural and craft products. This range of markets is due to expand to include the UK, Germany,

the Czech Republic, Canada, Portugal, Spain and Italy.

Another program target is domestic markets. In this respect, the program has supported farmers in northeastern Brazil to establish three cooperative-run outlets operating in the states of Ceará, Pernambuco and Rio Grande do Norte. Together, farmers successfully grow and sell their own produce in regional cities.

One of the projects in this regional program showed improvement in the average per capita income of participating communities, the infant mortality rate, non-farm income as a percentage of total income, annual economic growth, percentage of babies born under minimum weight, and life expectancy. This project also appears to be an engine of economic, health and gender-related improvement.

In Chile, there are now 13 producer groups involved, which means some 140 small-scale artisans — all women who produce traditional craftwork — benefit from collaboration in this project. These women establish the prices of their products so they can receive at least the minimum wage, which is equivalent to about US\$4,055 a year.

The FTAM program has shown that facilitating market access can get the poor into global and domestic trade, and it can be a powerful tool for fighting poverty. This success is not only due to increased income. Expanding knowledge and building social capital — by bolstering self-esteem and building networks, etc. — are also key elements of this process.



Greater income — money for honey

Now there are 77 who own 11 honey farms with 4,000 hives...



Honey is an important trade commodity. For example, in 2004 the UK imported US\$51 million worth of honey. Europe is a major buyer of Latin American honey and demand for accredited brands and specialty honey is growing rapidly.¹⁰

The FTAM regional program is supporting local beekeepers in Brazil, by assisting them to gain access to these distant international markets. Such work has also focused on protecting the biodiversity of the environment and supporting beekeepers at the local level.

Jose Helio Morais da Costa is one such beekeeper. This is his story.

Jose Helio is a honey farmer and president of his own association, called APISMEL (Honey Mountain Apiarists Association). He works in a township named Serra do Mel (Honey Mountain). Not surprisingly, the primary source of income for people in this region is honey — and cashew.

Jose Helio founded APISMEL in February 2001, initially with 20 members. Now there are 77, who own 11 honey farms with 4,000 hives, all in the one township. Some 136 organic honey farmers and 120 conventional farmers work for APISMEL.

Jose Helio was born in 1958, in Mossoró, in the state of Rio Grande do Norte in Brazil. He left school at 15 and worked for the next 10 years to help his family pay the rent. At 17, he married Vilma, his lifelong partner in all his plans.

In December 1983, when Jose Helio was 25, and his two sons were three and five years old, he was accepted into a group of 59 producers in the Serra do Mel community. In this community, there was no water and no electricity. He and his family lived 25 kilometres from “everything”.

Jose Helio was soon elected president and leader of the community. The same year the

community created an association called “Adecovão,” through which they mobilised the community to petition the government to provide them with electricity and water. They were successful and thereafter, they received a regular water tanker from the government. Jose Helio went to work by bike every day until, after many months, he managed to get a motorbike.

A year later, in 1984, a friend introduced him to bees and beekeeping. On returning home after his first day of beekeeping, he was so covered in stings that his wife thought he had been in a fight. Barely two months after this initial “experience” with bees, two people from his church visited him because they needed someone to train others in beekeeping in the neighbouring state of Pernambuco. He decided to go, but made a commitment to train his whole community when he came back home.

Jose Helio struggled in his endeavours. He faced corrupt and unwilling politicians. He suffered psychologically. He even stopped work for some months, after being assaulted and kidnapped by four people he did not know. Nevertheless,

while he knew his ambition was not shared by all those in power and he knew he had made enemies, he was determined to be stronger than them. As a result, he established APISMEL in 2001.

World Vision and other partners like Banco do Brasil supported the project from this point on. After many slow months, Jose Helio built up a team of some 300 people. With everyone’s willingness, the community planned for financing, credit, qualification and support. Because of this commitment they obtained external support, training and funds for investment from the banks.

Today APISMEL is selling its honey in Europe and in Brazil. Jose Helio says of his success: “I had nothing when I was born, and now I have everything I always wished I could have. I am proud of what we did. My only regret is that my dream would have been to buy a house for my parents before they died. I never had the chance, but now that I have the money to do it, I love to think of how proud they would be. My children and grandchildren can have everything they want, a

decent life and a job, which is the most wonderful thing that could have happened to me.”

He is also involved in a different kind of work — spreading the word. He participated in the International Conference on Fair Trade in Latin America in Bolivia and told his story to encourage others. He has also been to Guatemala to share his production techniques with 11 honey producers from different countries in the region. Thanks to this meeting, some 35 producers from across the continent will attend a one-week seminar at the now famous Serra do Mel production site.

Jose Helio still has further plans for the future of the association. One of his greatest ambitions is to export products without depending on others. He also wants the association to be organic and fair trade certified. He would like to get a new vehicle to transport the honey. He wants to establish more honey farms and be able to train two specialists in the international classification of honey.

World Vision has been working with farmers in Brazil, developing organically grown melons, peppers, bananas, cashews and other crops to sell to expanding markets in developed countries. The scheme aims to give the farmers access to appropriate technology, technical help, business and marketing skills, and opportunities for export.

Previously, the farmers received US\$1.06 for each box of melons they produced. This was not enough to cover the costs of production and provide food for the family. Now, as a result of the project, a box of melons sells for an average of US\$2.30.

This scheme rewards the farmers fairly for the value of their production and the extra income raised helps improve their quality of life in areas such as health, education and food security. In addition, consumers in other countries are benefiting from the organic produce and a clearer conscience!

¹⁰ Bees for Development Trust (2006), Available at http://www.beesfordevelopment.org/info/proceedings_HTW2/african_honey_trade_forum.htm

The results

Talking with business — the O Boticário story

The small key-ring size dolls are now sold in the front counters of many O Boticário shops in Brazil.

Recently, Ética and World Vision Brazil forged an alliance with O Boticário, a socially responsible cosmetic corporation with over 2,500 shops in Brazil and market relationships in 25 other countries globally.

While O Boticário has excellent market reach and recognition, it is equally well known for promoting quality, innovation, environmental protection, consumer rights and social responsibility. O Boticário made a commitment to the fair trade movement through the pilot project that made Bonequinhas Solidárias, or “miniature solidarity dolls”. The small key-ring size dolls are now sold in the front counters of many O Boticário shops in Brazil.

One of the main results of this partnership is knowledge transfer. The exchange of valuable information between the producers and O Boticário, especially about the

required quality of the dolls, has helped the producers develop their business skills.

For example, through support from the FTAM project, the women who make these tiny dolls now know the value of quality control. After the dolls are made, an independent observer reviews each and every doll looking for those with odd eyes, unequal legs and arms or poor sewing. Some 10% of the first attempts are returned to the maker for adjustments.

Also, they can calculate how long it takes, on average, to make a leg, a head, or a body, and how long it takes to put them all together. They then allocate a dignified hourly pay rate to this time, and use the result to set the price for each doll. This is then the minimum price they will accept for their dolls. O Boticário appreciates and supports this process.



Project Brief

Name – Bonequinhas Solidárias (miniature solidarity dolls)

Partner – O Boticário

Beneficiaries – 385 producers (all women)

Outlets – Dolls are now sold in 378 stores in Rio de Janeiro, São Paulo, João Pessoa, Belém, Salvador, Brasília, Curitiba, Belo Horizonte (all in Brazil), with some international orders from Australia and potentially Japan.

The results

Equality - changing gender and cultural roles

...the group project
has offered some
women the chance to
break out of a cycle
of family violence...

The FTAM program supports the equal right for both men and women to earn an income. By giving women the skills and opportunities they need to become economically self-sufficient, they are able to break the cycle of poverty and support themselves and their families.

But many participating women find that increased income is, in fact, a building block towards gaining self-confidence and self-worth. As one woman from the Matriales Abertas Artisans in Chile says, "We feel happy that people on the other side of the world, in Holland, are enjoying the products we are making here in our project – we feel useful".

Particularly for the women involved in these projects, it is a chance to meet other women when otherwise they may feel isolated in their homes, looking after their children all day. This has not only provided the chance for social networking and personal skill development, but also the opportunity and space for the women to discuss the challenges in their lives.

For example, in Chile, the group project has offered some women the chance to break out of a cycle of family violence by offering a space for conversation and support.

Here, the project advocates for economically disadvantaged women; raises awareness of the needs of indigenous women, in particular, who are trapped in unhealthy and abusive marriages; and promotes progressive change for all women in the project.

Each fair trade item comes with its own story, so that the consumer may know the face, family and producer group that created the product they buy. Learning about the producers of these items brings cross cultural understanding, compassion and consciousness to the consumer world.

Indigenous women's culture has added value to the products and increased cultural awareness and pride. An advantage in Chile is that the technical advisor for the project is a member of one of the indigenous communities, and is able to promote cross-cultural dialogue and bring traditional knowledge from the land. This supports environmental sustainability. All the producer groups in Chile aim to keep their indigenous cultures alive by sharing their indigenous language locally and including tags on their products that are in English, Spanish and the local indigenous language.

"Human development is about much more than the rise or fall of national incomes. It is about creating an environment in which people can develop their full potential and lead productive, creative lives in accord with their needs and interests. People are the real wealth of nations. Development is thus about expanding the choices people have to lead lives that they value. And it is thus about much more than economic growth, which is only a means – if a very important one – of enlarging people's choices."¹¹

¹¹ United Nations Development Programme – Human Development Reports, "The Human Development Concept". Available at <http://hdr.undp.org/en/humandev>





The results

Influence - national and global impact

...World Vision Brazil was involved in the formulation of a national fair trade public policy.

The FTAM advocacy success can be seen clearly in Brazil, especially with the influence on the Brazilian Government. World Vision Brazil has been active in campaigns to promote fair trade, including negotiating with the government for support for small producers. Its regular discussions and negotiations with five Brazilian Government ministers have undoubtedly contributed to the government's decision to allocate US\$18 million to market access projects. More recently, World Vision Brazil was involved in the formulation of a national fair trade public policy. Brazil is expected to be the first developing country to adopt such a specific policy, which enables small producers to access markets. In fact the Brazilian Government recently won the International Press Service (IPS) International Achievement Award for 2008 for its policies to improve social inclusion, including better access to markets for poor farmers.

Through this FTAM program, the program manager, Glayson Ferrari dos Santos, is now a key player in fair trade networks in Europe and Latin America. He forges important links between the International Labour Organization, the Inter-American Development Bank, and several European fair trade peak bodies. One outcome of this collaboration is a plan to establish specialist courses in fair trade and sustainable economy, to assist community leaders and World Vision staff to build on their skills in this field. Such ties also mean that poor Latin American producers are directly represented at global forums.

Strengthening domestic fair trade networks has also been a key achievement. Together with FACES (Brazilian Fair Trade Forum), World Vision Brazil has helped establish producers' networks in the northeast of Brazil. These networks now exist in the states of Pernambuco, Alagoas and Rio Grande do Norte. These partnerships have strengthened their strategies for disseminating the fair trade concept, in partnership with other fair trade organisations and government institutions.

Alongside this growing influence has come recognition. Due to the success of its fair trade program, in September 2002, World Vision Brazil won the Award for Excellence in Business Development Services at the Inter-American Development Bank Awards for Micro-Enterprise Development and Social Entrepreneurship. In Chile, of eight works chosen by UNESCO to show the world the best of Chilean crafts, two were the work of craftswomen supported by the trade solidarity program implemented by World Vision in Temuco. This honour has provided the women in these groups the chance to introduce the world to the indigenous designs of this culture.

Several of the small producers involved in the national FTAM initiatives showed their clothing products at the Ethical Fashion Show in Paris in October 2008, an event to showcase fashion designers who respect people, the environment and the precious traditional skills that are inherent to each culture.



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Maria del Carmen Constante, Technical Manager, World Vision Ecuador

Angel Reyna, Agriculture – Ecology Advisor, World Vision Bolivia

Jose Gersain Cortés, Economic Development Coordinator, World Vision Colombia

Jonathan Romero, Economic Development Coordinator, World Vision Peru

Roni Oracion, Microfinance Advisor, Integration Team, World Vision Australia



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World Vision Australia
1 Vision Drive
Burwood East VIC 3151
Australia

Series Editor: Allen Jennings

Editing Advisors: Roni Oracion, David Lansley, Chris Rowlands

Communications Liaison (Australia): Ivy Lee

Graphic design and layout: Nicholas Tait

Research: Jacinta Torres Gomez, James Michie

Photography: Jerry Galea, Luza Marinho, Jacinta Torres Gomez, Allen Jennings

Proofreader: Margaret Spencer

Resources: Suzy Sainovski

Translator (English to Spanish): Oscar Torres Gomez

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