# Fair trade with the developing countries

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The meaning of "fair trade" can be summarised as "purchasing the products of developing countries directly from producers at prices higher than those established by the market and then selling them to consumers who are well informed and prepared to pay a higher price for the sake of solidarity". The first "fair trade label" (Max Havelaar) was created in the Netherlands in 1988. Since then the brands Transfair, Fair Trade Mark and Rättvisemärkt have appeared. There is now an urgent need for a standard definition of the term. The Committee adopted the report by Raimondo FASSA (ELDR, I), which calls on the Commission to integrate measures to promote fair trade into its development and commercial policies. The report calls on the Commission to draw up a communication on the subject and advocates the creation of a budget heading for fair trade. It welcomes the proposal to introduce special social and environmental clauses under the GSP and supports the idea of creating a common European Fair Trade label. The committee also stipulates the criteria which should be used to define fair trade: -direct buying, from local producer to importing organisation, without middlemen other than export companies organised for the benefit of producers, with the exception of groups which, in view of their particular situation, cannot export without a middleman; -fair prices, consisting of current market prices (where they exist) plus a "fair trade" premium; such prices would not be allowed to fall below a certain minimum; -part payment in advance if so requested by the producer; -no import or sales monopolies; -price transparency, with the consumer being informed of the actual price received by the producer; -long-term, stable relations with producers; -production conditions which respect ILO Conventions in the cases where hired labour is involved; -non-discrimination between men and women and no use of child labour; -respect for the environment and production methods which promote economic and social development; -protection of human and in particular women's and children's rights as well as traditional production methods; -respect for endogenous development and encouragement for the autonomy of local population groups. The committee calls on the Commission to support projects which subscribe to these criteria, provided the products in question meet the health, safety and hygiene standards required by the Union. It also urges the Commission to support efforts to comply with the criteria and include among its priorities projects carried out by women.