



**FAIRTRADE**  
**IN**  
**DEVELOPING**  
**COUNTRIES**

# Es & Os

- 📌 **SOC 2-20a** - exploring ethical trading
- 📌 **LIT 2-15a** - making notes, organising and use them
- 📌 **LIT 2-25a** - use writing to help understand information and create text

## A SUCCESSFUL LEARNER CAN:

- 📌 **Find out** the way **trade can be made fair for** producers across the globe (world).

# Developing Countries

Development Indicators help us to measure how rich or how poor a country is. To do this we look at a number of factors which give information on how well a government is able to provide for it's people and what standard of living they have.

These indicators help us to decide:

- How **wealthy** a country is
- How good is its **education system**
- How good are the **health services**
- What kind of **jobs** people do
- What **trade** it has with other countries
- How its **population** is made up

When we compare countries we look at:

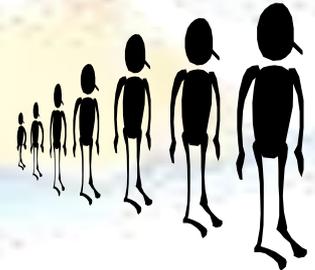
**Population:** Birth/death rate, life expectancy

**Health:** Number of doctors, hospital beds, infant mortality

**Education:** Literacy rates

**Wealth:** GDP (gross domestic product) - helps us see how wealthy a country is.

In order for a country to prosper they must create a **surplus** with which they can **trade** - **trading** is the secret to becoming a more developed country.



[Fairtrade - The Story \(8.40 mins\)](#)

## **Goods/Service, Needs/Wants**

Organisations provide **goods** and **services** that satisfy consumers **needs** and **wants**.

### Goods and Services

**Goods** are physical things that you want to buy that can be seen and touched (tangible) **eg playstation, makeup**.

**Services** are things that you pay someone to do for you **eg hairdresser, cleaner**. They cannot be seen or touched (intangible).

There are 4 **basic needs** that must be satisfied to survive **eg food, water, shelter, clothing**.

Different organisations help people to satisfy their basic **needs** and **wants** in the following ways:

- 1 **Businesses** provide **goods/services** eg Tesco sells food that we buy to satisfy our basic need to eat.
- 2 **Charities** provide help and support to recipients, **eg Cancer Research** provides research into new medicine/treatment for cancer patients so that they can live longer.
- 3 **Government** provide essential **services** **eg NHS** which citizens can access if they are ill so that they can be healthy and live longer.

# TRADING FAIRLY

Businesses try to **improve their sales** and chance of **survival** by:

↳ **operating at a profit**

↳ **selling a product that consumers want**

↳ **appealing to consumers' principles** eg not exploiting workers

The **Fairtrade Foundation** tries to **ensure trade** is carried out in a way that is **fair to everyone**.

DVD = FAIRTRADE FOUNDATION - 2009 (2.31 mins)

‡ Were you paying attention?

‡ Identify the fairtrade activities you remember seeing on the video.



# FAIRTRADE FOUNDATION

↳ The Fairtrade Foundation has rules when trading with developing nations:

- ↳ pay a **stable price** that has been agreed so the farmer can budget
- ↳ pay **higher prices** to help the farmer make a higher income and profit
- ↳ pay a **premium** to fund community projects
- ↳ pay in **cash** so the farmer never waits for payment
- ↳ provide **advice** to improve farming methods and help the business grow
- ↳ set **standards** to help protect the environment
- ↳ **stop child labour** so children go to school and have a better life
- ↳ use a **trade mark** to identify fair trade products

# FAIRTRADE PRODUCTS

- ✚ Fairtrade covers **many imports** from less developed countries:
  - ↳ **bananas, handicrafts, coffee, sugar, honey, cotton, wine, fresh fruit, chocolate, flowers, gold** and even **footballs**.
- ✚ Fairtrade products are identified by the **Fairtrade mark** or logo.
- ✚ Each time a **Fairtrade product** is **sold** the **developing world** benefits.

**FAIRTRADE FRUIT** (1.19 mins)

# THE FARMER

- ↳ **Fairtrade farmers** can be **entrepreneurs**.
  - ↳ they **set up their own farm businesses**
  - ↳ some **join together** to form producer co-operatives to try to **achieve better prices** for their products and to **share good practices**
- ↳ Trading fairly helps achieve a **better income for farmers**:
  - ↳ they believe **they benefit** from being involved
  - ↳ **increase** their **standard of living**
  - ↳ lets them **buy extras** that **make life better**

# YOUR TASK

- ✦ From your Pupil Workbook (TFPW) complete the following activities:
- ✦ **Complete** PowerPoint "Benefits of Fairtrade" TFPW - **Trading Fairly** pages 1 & 2 by **finishing the statements** to show you understand the **benefits of trading fairly** (use PP1 slide 7).
- ✦ **Complete** the **Fairtrade Tasks answer Task 1 and Task 2** on pages 3 & 4 .



**F** **A** **I** **R** **T** **R** **A** **D** **E**

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## A SUCCESSFUL LEARNER CAN:

- ✚ Find out the way trade can be made fair (ethical) for producers across the globe (world).

# FAIRTRADE IN ACTION

📌 FAIRTRADE BANANAS (3.00 mins music)

📌 **Complete** in your **workbook**

📌 **key terms** on pages 5 & 6

# LOCAL COMMUNITY BENEFITS

- ⚡ The Fairtrade Foundation tries to **help more than individual farmers.**
- ⚡ Fairtrade schemes try to **bring benefits to the whole community:**
  - ↪ funding of **community projects** using the **Fairtrade premium** eg funding for a new school bus, sterilising equipment for the local hospital, a banana ripening centre, a retirement fund to help retired workers, improvements to farm roads, building bus shelters and refurbishment of community centres
  - ↪ Improvements for **schooling, medical facilities** as well as improving peoples' **living standards**
  - ↪ the **farmers choose** which community **projects** should be helped by the funds generated

# CHAIN OF PRODUCTION

- ✚ Getting a product **from the producer to the final UK consumer** involves a:
  - ↳ **chain of production**
  - ↳ **linking** a number of **processes and businesses** involved in the production of a good or service **together**
- ✚ Every stage in the chain is **dependent** (relies on) on the **previous stage**:
  - ↳ **doing their job correctly**
  - ↳ to make sure the **final product** is the right standard - a good **quality**

# YOUR TASKS - using a PC/iPad/Netbooks

- ✦ **Complete** the questions on **page 7** of your workbook using **PowerPoint 1, Production of Bananas, From Bean to Bar and Key Terms.**
- ✦ **Continue** working on **Fairtrade Tasks 3-6 on pages 8-10.**

Complete **Extension Task 1 page 11**

⚡ You should **now understand**:

↳ **How** Fairtrade Foundation **make trade fairer**

↳ The **benefits** to **farmers** in less developed countries

↳ The **benefits** to the local **communities**

