



## INSTITUTE FOR AGRICULTURE AND TRADE POLICY

### **IATP statement on Fair Trade USA leaving Fairtrade International December 1, 2011**

As the founder of Fair Trade USA (originally Transfair USA), and the founder/owner of Peace Coffee, one of the largest 100-percent fair trade coffee companies in the U.S., the Institute for Agriculture and Trade Policy (IATP) strongly disagrees with the recent decision of Fair Trade USA to resign from Fairtrade International at the end of this year.

The fair trade system was created as a producer-led movement to help family farmers and rural communities benefit more directly from their production and work. The system is founded on a set of internationally recognized core principles aimed at increasing the capacity and participation of stakeholders, and dedicated to transparency in criteria setting, transactions and governance. IATP supports efforts to strengthen and broaden the fair trade movement, not dilute or undermine it as we (and the three international fair trade producer networks) believe Fair Trade USA's approach has the potential to do.

Fair Trade USA's proposal to create its own, apparently weaker, standards and labeling policies that will, among other things, allow coffee from plantations to be labeled as "fair trade," moves away from the movement's fundamental principles. We are deeply concerned that Fair Trade USA's unilateral approach will fracture the fair trade movement, and reduce the overall credibility and value of the fair trade "brand" for farmers and consumers alike. For the sake of the entire fair trade movement, we encourage Fair Trade USA to reconsider its decision.