

Small Farmers in Fresh Produce: Is There a Place at the Table?

BY JESSICA JONES-HUGHES

The grocery industry is a massive industry, an \$800 billion sector as of 2015. Within that total, \$88 billion is driven by fresh fruit and vegetable sales—and fresh produce is one of the fastest growing grocery categories. Between 2010 and 2014 alone, dollar sales of fresh produce grew by 22 percent.

As the quantity of fresh produce in shoppers' grocery carts increases, the opportunity for organic and fair trade products has grown as well. Fresh fruit and vegetables is the top category in organic food sales, accounting for about 30 percent of total organic sales in 2015. Fair trade produce sales have skyrocketed in the U.S. over the last five years—data from Fairtrade USA estimates that in 2015 alone, fair trade produce sales grew by 25 percent.* Organic and fair trade have expanded beyond the natural food and cooperative grocery world and continue to grow in importance in conventional grocery stores. The growth in fresh produce is not likely to slow in the near future.

Fair trade in produce

Cooperatives and natural food stores have been at the forefront of the organic and fair trade movements for the past 30+ years. When companies such as Equal Exchange began to introduce the concept of fair trade in coffee in the 1980s, food cooperatives were the first to understand the need for fair trade products and they began offering them to shoppers. In 2006, when Equal Exchange launched a fair trade banana program in the U.S., the collaboration of food cooperatives and distributors in Minnesota's Twin Cities area made the launch of the program possible. Today, there are more fair trade bananas available globally than any other fair trade produce item.

Fast forward to 2018—there are ethical, humane, and organic seals lining the grocery stores, fighting for the shopper's attention in every category, as certifications become more and more mainstream. For the majority of stores, the top sellers in the produce section are bananas, by volume, and avocados, by margin dollar. While bananas and avocados are also the top two fair trade produce items (according to Fairtrade America FLO-CERT data)* there are additional produce items, including tomatoes, squash, cucumbers, and zucchini, now offered as fair trade certified. The



Small-scale farmer Mariana Cobbo finds her bananas at Eastside Food Cooperative in Minneapolis, Minn., during a 2016 tour of the Midwest, when she visited Equal Exchange store and distributor partners and spoke at conferences.

majority of new products originate from Mexico, where the ease of access to the U.S. and ideal growing climate allow for year-round supply of most fresh produce items. These factors, alongside the need for greater transparency and integrity in supply chains, create a landscape ripe for fair trade growth.

The growth of fair trade certification in produce is exciting and also complex. It offers more opportunities for a story and a connection to our food, and it leads to more consumers seeking food justice. Yet, as we have seen over and over in the food industry in the U.S., with growth and success comes change. Hundreds of natural food companies have been bought out and are now controlled by behemoth food companies. Large

companies, seeing the financial incentive of organic and fair trade, purchase smaller entities and use the larger company's supply chain efficiencies to grow the "organic branches." Unfortunately, these buyouts are often paired with watering down of standards, ingredients and the original mission.

Staying authentic in a changing landscape

Fair trade started as a movement to give small-scale farmers access to the global market and to change the power dynamics in typical trade relationships. At Equal Exchange, this has always been the core of our business, whether dealing in coffee, chocolate, tea, or bananas. Our mission is to create supply chains that directly connect consumers and small-scale farmers.

At its most authentic, this starts with small-scale farmer cooperatives that are democratically organized, partnering with organizations such as Equal Exchange, a worker-owned cooperative, selling to consumers through member-owned food cooperatives or natural food stores. This is a truly radical supply chain, especially given its presence in an industry where consolidation abounds and independent food businesses are few and far between.

The fair trade certification standards for products, including sugar, tea, and bananas, allowed plantations to gain fair trade certification from the very beginning. In other products, plantation production was allowed over time. Many companies such as Dr. Bronner's and Equal Exchange have fought against the inclusion of plantations in the fair trade system. Over the years, the number

of large-scale plantations in the fair trade system has grown significantly. As of 2016, plantations supplied about 45% of the total fair trade certified volume globally.*

Why are plantations such a big piece of the pie? Large-scale plantations are no doubt easier and more efficient to work with, especially in bananas. Bananas are grown as a monoculture, with farms that are incredibly efficient, harvesting banana tree after banana tree, then packing and shipping large quantities at once—an essential component of a cheap commodity such as bananas.

Assisting small-scale farmers

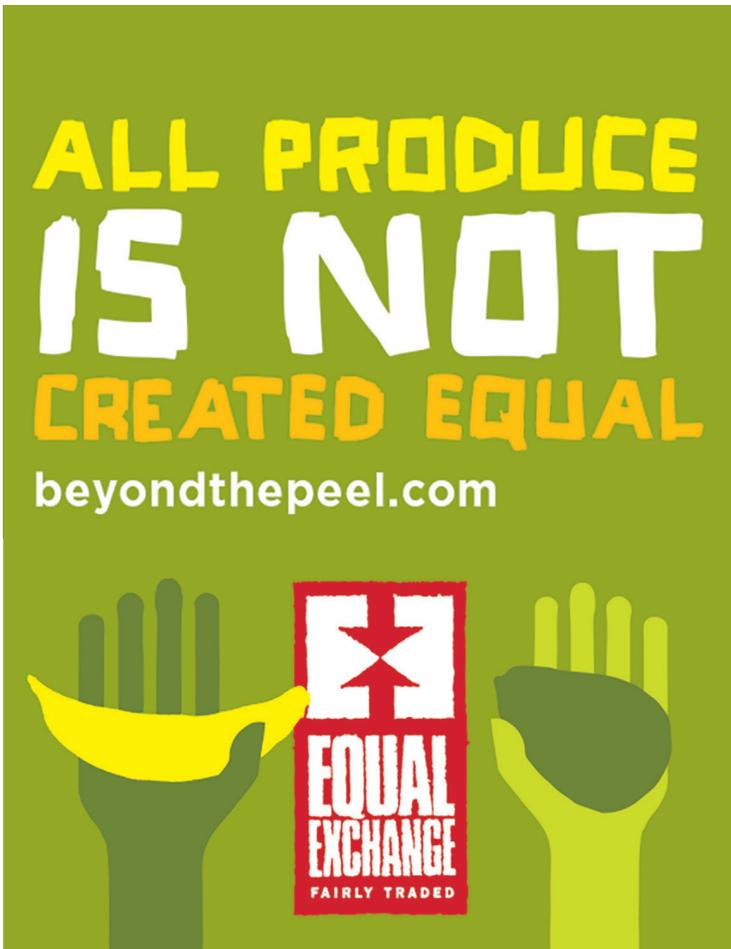
Working with small-scale farmers is complex. In Peru, where Equal Exchange sources 50 percent of our banana volume, there are thousands of small-scale banana farmers, with the majority owning a little over two acres of land each. To ship to the U.S., banana cooperatives must coordinate with hundreds of farmers each week: How many bananas are available? When can they be harvested? How is the quality? It is a lot of work, but without the cooperative to coordinate and consolidate the contributions of many producers into one shipment, these farmers would have no access to the international market and would be forced to sell their bananas on the national market for a much lower price. For small-scale farmers who are able to export their bananas, the economic impact on their livelihoods is tremendously improved. That impact has further ripples, since small-scale farmers have deep roots in their communities and take care of the land where they farm—because it is also their home.

Where do we go next?

As fair trade grows in produce, how do we keep the original vision of fair trade alive? How do we assure that small-scale farmers can keep their seat at the table? At Equal Exchange, we ask these questions often. We debate about how we can remain true to ourselves and differentiate in a competitive market where consumers are making quick decisions and are not interested in spending ten minutes talking about which tea to purchase. In bananas it is simpler, since there are typically only 1-2 banana options available, and produce departments are making those decisions for the consumer. Stores have the real power to offer an alternative to consumers in bananas and fresh produce.

Staying true to the roots of fair trade is essential to having the biggest impact environmentally, economically, and socially. Just as the impact of one shopper deciding to shop weekly at their local food co-op makes a big difference for the store, so is the impact of fairtrade on small-scale farmers. Knowledge is power, and asking questions of food companies, your store, your produce distributor, your importer, and your farmer is the only way to navigate and stay true to our authentic roots. •

*Data from Fairtrade America includes only FLO-CERT data and does not include Fairtrade USA.



Tools for Thinking about Food Justice

1. Ask questions about companies, farms and products, such as: Sourcing model? Average acreage of the farms? What is the model and mission of the company/store/farm? Is the company 100 percent fair trade, 100 percent organic, or only a portion? Who owns the company? What is the mission? How do they treat workers/employees? Size?
2. Whenever possible, purchase produce that is (aim for at least two): grown by small-scale farmers; sourced or sold by small and cooperative businesses; from a local farm or business.
3. Evaluate products through industry watchdogs. They conduct research and offer many resources on their websites. We suggest:
 - Fair World Project** – fairworldproject.org
 - Cornucopia Institute** – cornucopia.org
 - Better World Project** – betterworldproject.org
 - Organic Consumers Association** – organicconsumers.org
 - Fairtrade America** – fairtradeamerica.org
4. Phil Howard, associate professor at Michigan State University in the Department of Community Sustainability, is a recognized researcher on food system consolidation. Known for his charts documenting organic food industry consolidation, Howard is the author of *Concentration and Power in the Food System: Who Controls What We Eat?* (2016).
5. Equal Exchange recently launched a new grassroots movement to engage consumers, called the **Equal Exchange Action Forum**. In order to build an alternative to the conventional economic system, citizen involvement is mandatory. Join us in building a community of citizen consumers fighting for food justice, democracy, and the earth. Learn more and join the action at **Equal Exchange** – equalexchange.coop.