

REPORT TO: POLICY & RESOURCES COMMITTEE – 10 DECEMBER 2001
REPORT ON: POLICY ON FAIR TRADE PRODUCTS
REPORT BY: DIRECTOR OF CORPORATE PLANNING
REPORT NO: 736/2001

1 PURPOSE

1.1 This report recommends the adoption of a Policy on Fair trade products for Dundee City Council.

2 RECOMMENDATION

2.1 It is recommended that members:

a) adopt the Fair trade resolution as outlined in Section 7

3 FINANCIAL IMPLICATIONS

3.1 The costs of increasing the availability of Fair Trade products when offering Council hospitality are marginal and will be met through existing Support Services revenue budgets.

4 EQUAL OPPORTUNITIES IMPLICATIONS

4.1 The policy recommended in this report will support ethical trading and provide the benefits created by the Fair trade to producers threatened by poverty and exploitation globally.

5 LOCAL AGENDA 21 IMPLICATIONS

5.1 This policy will promote ethical concerns in Dundee, raise awareness of Fair trade issues and provide support to Fair trade producers and farmers thereby supporting the Council's Local Agenda 21 objectives on an international basis.

6 BACKGROUND

6.1 Local Agenda 21

6.1.1 In 1997, Dundee City Council adopted its Local Agenda 21 policy which built on the commitment to Local Agenda 21 in Dundee City Council's first Corporate Plan. Local Agenda 21 provides the framework for progressing sustainable development which promotes an integrated approach to considering issues of social, economic and environmental development. Through its work on Agenda 21 in Dundee, the Council has taken action to promote the elimination of poverty, and equitable distribution of resources across the city. Agenda 21 encourages the same objectives on a global basis by attempting to bridge the gap in power and resources between developed and developing countries. One effective way of pursuing this on a day to day basis is through the purchase of Fair trade labelled products.

6.2 Fair Trade

6.2.1 Fair trade is a means of helping small scale and other disadvantaged producers in developing countries, improve their quality of life by providing a more profitable and stable trade relationship. Unlike organic produce where the criteria used are legislatively based, the criteria of Fair trade are product specific, but essentially can be summarised as:

- direct trading links with producers in developing countries
- guaranteed prices to producers to cover production costs
- “a social premium” to producers for investment in social and environmental improvements
- credit allowances or advance payments where necessary
- long term trading relationships to enable planning

6.2.2 Fair trade marks or labels are used to guarantee standards for prices in working conditions for producers of goods bearing such marks. The Fair trade mark is one of these and is administered by the Fair trade Foundation, a registered charity supported by a range of agencies including Oxfam, Christian Aid and the World Development Movement. There are now many products bearing the Fair trade mark including a range of teas, coffees, sugars and chocolate. Interest and support continues to increase towards Fair trade. Both parliaments in the UK serve Fairly traded tea and coffee and the Scottish Executive has committed itself to promoting and supporting Fair and Ethical Trading where possible. To date no Councils in Scotland have adopted Fair trade policies while a number in England have.

6.3 Fair Trade Breakfast

6.3.1 In March 2001, the Lord Provost hosted a Fair Trade Breakfast as part of Fair Trade Fortnight in association with the One World Centre and the Dundee Anti-Poverty Group. The event highlighted the Council's support for measures which challenge poverty and deprivation on an international basis.

7 **POLICY ON FAIR TRADE PRODUCTS**

7.1 Dundee City Council acknowledges the importance of Fair trade products and will support this movement through the following actions:

- promoting awareness of Fair trade products to departments, employees and citizens
- including Fair trade in our Local Agenda 21 Strategy and supporting policies
- making Fair Trade tea, coffee, sugar available on request when offering Council hospitality

8 **CONSULTATION**

The Directors of all departments have been consulted in the preparation of this report.

9 **BACKGROUND PAPERS**

None.

Director of Corporate Planning

Date