

# **Fairtrade Geographical Scope Policy of Producer Certification**

26.04.2019

### **Purpose**

The purpose of the Fairtrade International geographical scope is to determine in which countries producer organizations can be Fairtrade certified. The countries currently included in the scope are listed below

### **Approach**

Fairtrade International considers income per capita, wealth disparity and other economic and social indicators, as well as long-term impact for producers and Fairtrade International's ability to support producers, to determine which countries can be included in the geographical scope (see guidelines on page 4 for more details). Excluded from Fairtrade International's geographical scope are members of the European Union and G8-countries.

Fairtrade International reserves the right to make discretionary amendments to the geographical scope in line with specific product strategies.

#### Review

The review of the policy follows the Standard Operating Procedure for the development of Fairtrade Standards, which determines a 5 year routine review cycle and provides for more frequent reviews in case of need. The Fairtrade International Board makes final decisions regarding the geographical scope policy.

Fairtrade International units, member organizations, or other relevant stakeholders can submit requests to amend the geographical scope by writing to <a href="mailto:standards-pricing@fairtrade.net">standards & Pricing@fairtrade.net</a>. Standards & Pricing evaluates the requests, does any relevant additional research and makes proposals regarding any scope amendments.

### Change history

Version number	Date of publication	Changes
19.01.2015_v1.0	19.01.2015	Full review of the Fairtrade Geographical Scope Policy for Producer Certification, including indexes, social and economic indicators and other criteria that are considered to define the list of countries.
		The following countries were removed from the list of countries: Mayotte, Barbados, Montserrat, Anguilla, Turks & Caicos, Saint Helena and Saudi Arabia.
26.04.2019_v1.1	26.04.2019	Change of name from Swaziland to Eswatini



## **Fairtrade Pricing regions**

The countries in the geographical scope are divided into the Fairtrade pricing regional divisions, as listed in the <u>Fairtrade Minimum Price and Premium table</u>.

Africa and the Middle East					
Northern Africa	Middle East	Western Africa	Eastern Africa	Southern Africa	
Algeria	Iraq	Benin	Burundi	Angola	
Egypt	Jordan	Burkina Faso	Congo (DRC)	Botswana	
Libya	Lebanon	Cameroon	Djibouti	Comoros	
Morocco	Oman	Cape Verde	Eritrea	Eswatini	
Sudan	Palestine	Central African	Ethiopia	Lesotho	
Tunisia	Syria	Republic	Kenya	Madagascar	
	Yemen	Chad	Rwanda	Malawi	
		Congo	Somalia	Mauritius	
		Cote d'Ivoire	South Sudan	Mozambique	
		Equatorial Guinea	Uganda	Namibia	
		Gabon	Tanzania	Seychelles	
		Gambia		South Africa	
		Ghana		Zambia	
		Guinea		Zimbabwe	
		Guinea-Bissau			
		Liberia			
		Mali			
		Mauritania			
		Niger			
		Nigeria			
		Sao Tome and			
		Principe			
		Senegal			
		Sierra Leone			
		Togo			



Asia and Pacific						
Western Asia Armenia Azerbaijan Georgia	Central Asia Kazakhstan Kyrgyzstan Tajikistan Turkmenistan	Eastern Asia China* Korea (DPRK) Mongolia	Southern Asia Afghanistan Bangladesh Bhutan India	South-Eastern Asia Cambodia Indonesia Laos	Pacific Cook Islands Fiji Kiribati Marshall Islands	
	Uzbekistan		Iran Maldives Nepal Pakistan Sri Lanka	Malaysia Myanmar Philippines Thailand Timor-Leste Viet Nam	Micronesia Nauru Niue Palau Papua New Guinea Samoa Solomon Islands Tokelau Tonga Tuvalu Vanuatu Wallis and Futuna Islands	

<sup>\*</sup> In China, producers can only be certified against the Standard for Small Producer Organizations. Contract Production and Hired Labour set-ups cannot be certified as Fairtrade in China.

Companies in China can be certified as traders for all Fairtrade products except cotton. Only under the Fairtrade Cotton Sourcing Program can companies processing cotton in China be "Fairtrade verified" and the Price and Premium payer "Fairtrade certified" for cotton.

Latin America and the Caribbean					
Central America and Mexico	Caribbean	South America			
Belize	Antigua and Barbuda	Argentina			
Costa Rica	Cuba	Bolivia			
El Salvador	Dominica	Brazil			
Guatemala	Dominican Republic	Chile			
Honduras	Grenada	Colombia			
Mexico	Haiti	Ecuador			
Nicaragua	Jamaica	Guyana			
Panama	Saint Kitts and Nevis	Paraguay			
	Saint Lucia	Peru			
	Saint Vincent and the Grenadines	Suriname			
	Trinidad and Tobago	Uruguay			
		Venezuela			



### **Geographical Scope Review Guidelines**

Fairtrade International considers a combination of three factors, as shown below, when reviewing if a country can be **added** to or **removed** from the Fairtrade geographical scope. Any requests submitted to amend the geographical scope should provide information on these factors.

### Social and economic indicators

In order to assess the economic and social situation of a particular country the following indicators have been selected:

- The OECD-DAC (Development Assistance Committee) list of recipients of official development assistance (ODA) lists all countries and territories eligible to receive ODA. These consist of all low and middle income countries based on gross national income per capita, as published by the World Bank, with the exception of G8 members, European Union (EU) members and countries with a firm accession date for entry into the EU.
- The World Bank Gini index measures economic disparity within over 140 countries by considering the distribution of income or consumption expenditure. A Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality.
- <u>The Human Development Index</u> combines life expectancy, education and income indicators to group over 180 countries into four tiers of human development: very high human development, high human development, medium human development and low human development.

Please note: It is recognised that data is not always reliable or available for every country, and that other sources of information may provide more relevant data for specific topics. Therefore other indexes, data sources and relevant information can also be taken into account when assessing the social and economic aspects of countries for this purpose.

### Long-term impact for producers

The long-term impact on the livelihoods and communities of Fairtrade producers is a strategic priority.

Before proposing to **remove** a country from the Fairtrade geographical scope, it is therefore necessary to find out if/how many Fairtrade producers are present, and the implications that such a change could have on existing producers in the Fairtrade system.

It is equally important to take the long-term aims of Fairtrade into account, before proposing to **add** a new country. It would be necessary to consider, for example, before proposing to include any European countries, whether they are likely to join the EU within the next 10 years or so (since EU member states are excluded from the geographical scope). Also, market access and supply chain sustainability of potential producer organizations must be considered.

### **Producer support**

Fairtrade places high importance on producer support. Before proposing to **add** new countries, it is necessary to find out if producer support would be available. Equally, when proposing to **remove** a country, when relevant the availability of producer support needs to be considered, in order to best carry out any transitions.

Copyright © 2007 Fairtrade Labelling Organizations International e.V. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without full attribution.