

FRIENDS *of*
OCEAN
ACTION



Tuna 2020 Traceability Declaration



Fair Trade Certified Seafood

Overview of Fair Trade USA & Fair Trade Seafood Program

February, 2020





Who Is Fair Trade USA?

Nonprofit organization; Founded in **1998**

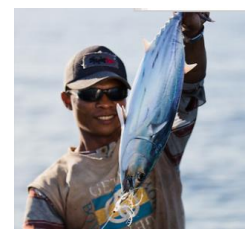
30+ Fair Trade Certified™ product categories
(coffee, produce & floral, seafood, consumer packaged goods, apparel & home goods)

1,250+ companies selling Fair Trade Certified™ products in North America and Europe

1.6 million farmers & workers

in **70+ countries** impacted

\$610 million Community Development Funds





Fair Trade Seafood Program



Fair Trade Seafood – Program Overview

Fair Trade Certification in Seafood provides protections, benefits and community-brand-consumer development.



Certification

[Capture Fisheries Standard](#).
[Agricultural Production Standard](#) (Aqua Pilot).
[Trade Standard](#).

Cert Body annual audit.
Product traceability from harvest to end consumer.

Premiums

Additional funds for producing communities to meet documented needs.
Local or home community projects.
Needs assessments & Premium Plans.

Capacity Building & Empowerment

Required trainings.
General Assemblies.
FT Committees.

Consumer Activation

Education to consumers on needs and issues in industry, and impact from Fair Trade program.

Fair Trade Seafood – Structures & Forms of Fishing



Small
Fleets

Medium
Fleets

Landing
Sites

Processing
Plants

Included in scope of Fair Trade audit.

Suripera

Handline

Pole &
Line

Dredge

Set &
Drift Net

Land/Pen
Farms

Fair Trade Seafood by the Numbers



The Seafood program spans over North, Central, and South America, Southeast Asia and East Africa, with 20+ products available.

15

Brand Partners

Selling Fair Trade
Certified Seafood
products

15

Certificate Holders

Participating in and
benefiting from Fair
Trade Seafood
compliance & projects

10k

**Fishers,
Producers, &
Workers Impacted**

Impacted by the Fair Trade
Seafood program

\$1.5m

**Community
Development Funds**

Distributed to Seafood fishers,
producers & workers over a 5
years of partnerships

Social & Environmental Issues in Seafood Production



Low prices, wages, indebted workers

Lack of benefits & services

Environmental degradation, waste

Unethical recruitment, informal contracting

Gender, other discrimination

Forced labor, child labor

Unstable workforce...

Why Fair Trade Seafood?



Social

- Fair prices, wages
- Safe working conditions
- Access to services
- No forced labor
- Child & youth protections
- Formalized labor contracting
- Responsible recruitment
- Dignified housing

Environmental

- Resource management
- Data collection
- Stock assessments
- Biodiversity/ecosystem protections
- Proper waste management
- 30% Premium investment

Traceability

- Ensure product caught legally
- Product traceability
- Mitigate supply chain risks

Management

- Strengthened internal audits
- Policies, processes for safety, equity
- Financial audits on Premium
- Increase worker retention, reduced worker turnover.
- Grievance procedures



Fair Trade Costs



Fair Trade Cost Components

Supported
by Market
Partners,
Consumers.



FT
Premium

FT Service
Fee

Directly covered
by Certificate
Holder.
Supported by
market and
consumers.

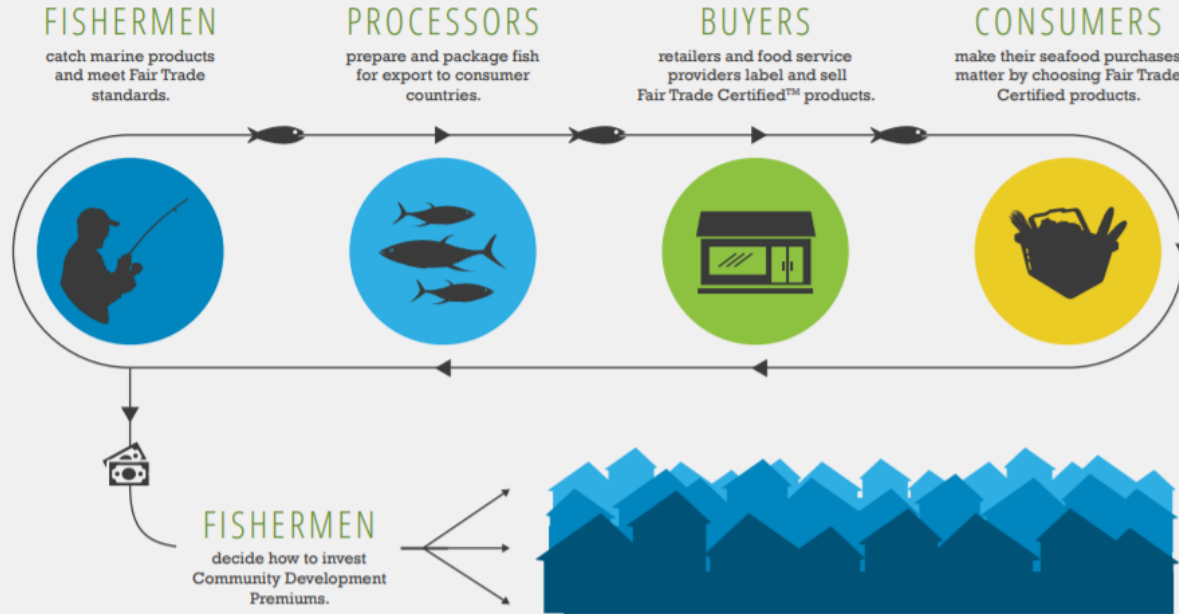


FT Audit

FT Cost of
Compliance

Fair Trade Fisheries

THE FLOW OF *Goods and Impacts*



FAIR TRADE USA

tracks payment of Community Development Premiums back to the fishing communities.





Established Fair Trade Premiums & License Fees

Fair Trade Premiums *(for fishermen, workers, community)*

23 different Premiums, based on product type, region, presentations.

[*FTUSA Premium Database*](#)

Fair Trade Licensing Fee *(Fair Trade USA)*

Range of 1-2% of wholesale price.

Volume Commitments – opportunities for economies of scale.

Cert Holder pre-assessments, certification, corrective action support by FTUSA.

Premium maximization support.

Market support.



Fair Trade Premiums for Seafood – *how they are set*

- For Fair Trade Certified seafood, we use a series of criteria to define the Premium:
 - *The ex-vessel value/farmgate value of the product, to look at the added cost to that product*
 - ❖ *Wild Caught: 5-7% / Aquaculture: 1-5%*
 - *The estimated volume % that will be sold on FT-terms, and the growth potential*
 - *The number of people that will be impacted from the Premium*
 - *The annual income from these people, and compare what the expected Premium would represent*
- Premium proposal then shared with partners; rates adjusted as needed based on feedback.
- With new supply chains, we evaluate if existing Premiums can be used or if new rate required
- Premium-reviews can be conducted as needed, periodically



CONSUMER THOUGHTS ON FAIR TRADE



Consumers and the Fair Trade seal

Fair Trade Certified seal continues to be relevant for consumers.

63% awareness

33% purchase intent

3X
more likely

Those who prioritize organic or sustainability are 3x more likely to prioritize Fair Trade

Percentage of consumers who agree with the following statements



Aligns with my personal values

37%

48%

Very/Somewhat motivates purchase of Food/Bev

42%

56%

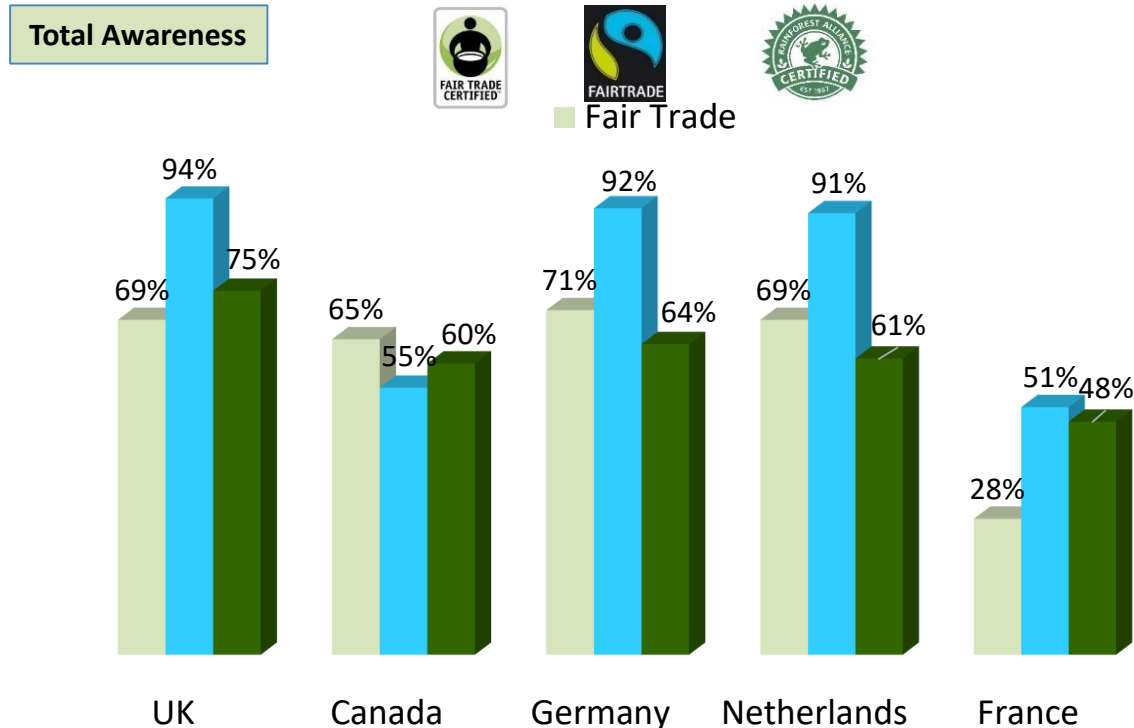
% of those Aware who are likely to purchase

59%

55%

Globally, Fair Trade Certified seal has significant awareness similar to USA level (63%) in all countries tested except France, even though products with this seal are not available in most of these markets.

Consumers indicating they recognize and totally/somewhat/not sure understand the following image...



Today's Consumers Care About Fair Trade



79%
of Consumers

want to know that a company is mindful of its practices and they will become loyal customers when they do

Almost **half** of consumers are more likely to trust a company's claims if backed up by proof,

i.e. **3rd party certification**

Millennials

outpace all other generations in their desire for Fair Trade Certified products

75% vs. 70% GP

and their willingness to pay a premium for FTC products

28% vs. 22% GP

It's necessary to closely engage with them to match up their attitudes with their actions.





Resources

[Fair Trade Certified Seafood Partners & Prospects](#)

Capture Fisheries Standard – [Full Standard](#) or [Summary](#)

Agricultural Production Standard (used in Aqua pilots) – [Full Standard](#) or [Summary](#)

Trade Standard – [Full Standard](#)

[Fair Trade Premium Management](#) - process from Premiums to projects

[FTUSA Premium Database](#)

[FTUSA Photo Library](#)

GUARDERIA

THANK YOU!

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