

## **CUMBRIA LOCAL AND FAIR**

**FAIR DEALING FOR A SUSTAINABLE FUTURE: THE CASE FOR FAIRTRADE AND LOCAL**

**FRIDAY 4<sup>th</sup> NOVEMBER 2011**

**RHEGED, PENRITH**

### **Background:**

Cumbrian farmers and food producers face a range of challenges which include: poor milk prices; increasing costs of farming inputs; increasing costs of distribution; reluctance of retailers to market local products; insufficient awareness by the public of local products and insufficient commitment to buy them, and inadequate commitment from the public sector to procure local products. Many of these challenges, if not all, are faced by farmers in developing countries, and for a particular group, that is those who sell their produce – bananas, coffee, sugar, cocoa, etc. – in our markets Fairtrade has offered long term, sustainable solutions.

The **Aims** of the Conference were to:

- i. Examine existing good practice, in Cumbria and beyond, including Fairtrade, to determine ways in which more local farmers and more local food and wool processors can work together for a fairer deal and a more sustainable future, mindful of the challenges which farming faces post 2013.
- ii. Consider the parallels, similarities and differences between the situation of small farmers in developing countries and farmers in Cumbria.
- iii. Generate ideas and make recommendations for action through workshops on seven topics.

### **Organisation and Funding:**

Cumbria Local and Fair was organised by Cumbria Fair Trade Network in partnership with representatives of Cumbria Chamber of Commerce, Cumbria County Council, Cumbrian NFUs, Cumbria Rural Churches, Cumbria Rural Enterprise Agency, Fairtrade Foundation and Lake District National Park Authority. We were advised and supported by Cumbria Fells and Dales, together with many individuals involved in and concerned for the future of Cumbrian farming, food and wool processing, and in distribution, procurement and sustainability. The Conference was generously funded by the Co-operative Group North Region, Lake District National Park Authority, Fells and Dales (RDPE LEADER+) and Riverside, with contributions from the Fairtrade Foundation and Cumbria Fair Trade Network, and generous support from Rheged.

### **Summary Report:**

*This report is a summary of the morning's plenaries and an introduction to the afternoon's workshops, for each of which there are separate reports on [Cumbria Fair Trade Network](#) website. To reduce its length, wherever possible, hyperlinks have been provided for more information.*

Over 180 people attended the conference from all over Cumbria and beyond. (The full list of attendees is given in a separate document on Cumbria Fair Trade Network website.) In addition to farmers and food and wool processors, there were distributors, retailers, social enterprises, public procurement officers, members of Cumbrian Councils (County, District, Towns and Parishes), Westminster and European parliamentarians, church representatives, sustainability and Fairtrade campaigners, journalists and writers. We also had many expert 'witnesses' who contributed to the workshops, many of whom came from considerable distances. (The biographical details of all contributors are also given in a separate document on Cumbria Fair Trade Network website.)

The Conference was chaired by Julia Aglionby who heads the environmental team at H & H Bowe. Plenary presentations in the morning provided the context for local producers, and for Fairtrade. Speakers included Prof. Frank Peck and Dr. Lois Mansfield from the University of Cumbria, Harriet Lamb, Director of the Fairtrade Foundation, Robert Craig, Cumbrian dairy farmer and Chair of the Cumbrian NFUs and Stephen Best, banana farmer from St. Lucia, and member of the Windward Islands Farmers' Association, who sells into the Fairtrade market<sup>1</sup>. Their joint presentation was chaired by Rory Stewart, MP for Penrith and the Border.

The plenaries commenced with a brief introduction from Joe Human and Jo Alberti from [Cumbria Fair Trade Network](#). They explained the origins of the Conference, acknowledging that while a few of the 20 or so Fairtrade groups around the county had for some years campaigned on a 'Fairtrade and local' agenda (notably in Gosforth & Wasdale, Millom, Egremont and St Bees, and Kirkby Lonsdale) the Network as a whole had not. But Cumbria County Council's strong [resolution](#) in support of Fairtrade, passed by unanimous vote in November 2005, made specific reference to working '*with Cumbria Fair Trade Network to link Fairtrade with the promotion of local products and producers*'. Joe Human explained that it was with the passing of this resolution the seeds of the idea of this conference were first sown.

Prof. Peck and Dr. Mansfield gave an overview of the Cumbrian farming scene now and post 2013. Prof. Peck considered the unstable national and international context within which Cumbrian farming has operated since the 1970s, as well as the economic context of Cumbria. He highlighted factors which have created that instability including variations in exchange rates; shifts in world farm commodity prices; environmental changes; health and welfare issues, and shifts in national and EU policies. The period of low farm incomes nationally from 1998 – 2008 has been followed by a general rise in the last two to three years with the fall in the value of the £ and increasing commodity prices. And yet there is still continuing variability in the industry at the national level with great unpredictability in specific locations due to micro-conditions and local factors.

Prof. Peck illustrated the national agricultural trends in total farm income, people working on commercial holdings, and farm income per region, and went on to examine the effects of the

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<sup>1</sup> A month before the Conference, Robert had visited Stephen in St Lucia and a few days before the Conference Stephen and his wife, Joyce, spent time with Robert, Jackie, his wife, and their family on their farm at Ainstable. Robert's visit was arranged and supported by the Fairtrade Foundation.

recent economic downturn. The latter noted, amongst other things, that there is some evidence to suggest that demand for 'local products' (foods and crafts) has remained buoyant, that diversified farms with involvement in tourism have been relatively unaffected, while some, dependent on expensive leisure activities, e.g. equine, have been affected. Finally he examined the recent economic trends in Cumbria and the North West, pointing out that while other sectors of the economy have suffered severely, with large falls in construction (-19%), manufacturing (-11%), financial services (-17%) and real estate (-11%), by comparison, the farm sector shows relative short-term buoyancy but after a difficult previous decade.

Dr. Mansfield examined the big issues for the future of Cumbria agriculture, including peak oil, climate change and food security (all external to the EU) and over-reliance on direct payments, redesignation of the Less Favoured Areas framework and EU enlargement (all internal to the EU): *'The crucial task is for farmers to prepare their businesses to be more **resilient** to change that is coming, so that the impact of shocks lessens when they occur.'*

Dr. Mansfield went on to examine the opportunities for creating that resilience, by helping farmers to identify and exploit their livelihood assets (human, social, natural, physical and financial), using farm advisory services to do this. She pointed to new and emerging agendas to promote further resilience. These agendas, many of which overlap, include managing common land, nurturing bio-diversity, living with climate change, coping with less water, valuing eco-systems, sustaining the farming economy and taking control of carbon. Ways to sustain the farming economy include:

1. Taking advantage of all pots of money, e.g. for managing carbon stores and biodiversity via agri-environment schemes.
2. Developing sustainable businesses, through renewable energy production and Trade in Tariffs; adding value to farm products e.g. fair trade; embracing transition farming (non-reliance on fossil fuels).
3. Selling local, direct to the public e.g. farmers markets.
4. Co-operative working to sell to supermarkets and other stores, which reduces food miles and fuel costs, whilst increasing profit margins.
5. Developing new entrepreneurial knowledge and skills.
6. Knowing where the next agenda is going and being ready!

Lessons from the Fairtrade model illustrate the importance of

- Trading partnerships to increase bargaining power
- Sustainable development, working within the carrying capacity of our resources
- Advocacy (public and government)
- Trans-local justice (working with similar, but geographically different farming areas for common goals)

She concluded with an explanation of the [Sustainable Future for Cumbria Post 2013](#) project which aims to raise awareness of the new agendas for land management in Cumbria with land managers and the public.

Harriet Lamb told the story of the growth of the modern Fairtrade movement and Fairtrade system, from its origins in the late 1980s in the [Netherlands](#) in response to the slide in global coffee prices. This led to the establishment by a number of development agencies<sup>2</sup> of the [Fairtrade Foundation](#) in 1992, the awarding of the [FAIRTRADE Mark](#) to the first products in 1994 and the challenges to grow the movement. She spoke about the significance of the Fairtrade Towns movement, starting in 2000 when [Garstang](#) 'declared' itself to be the world's first Fairtrade Town, which has since become global with over [1000 Fairtrade Towns](#) (villages, islands, zones, boroughs and cities) in 16 countries worldwide. (See the Fairtrade Foundation website for [chronology](#).)

She went on to talk about the [Fairtrade system](#), why it matters to farmers and their families in developing countries; the importance of the [price stability](#) it provides for them; and value of the social [premium](#) which is used for development investment, for schools, hospitals, water supplies and roads, as well as in sustainable business practices. She went on to talk about the rigorous [standard setting](#) and [auditing](#) which underpins the system.

Finally, Harriet explained that the system was set up for producers in developing countries not for farmers here. When, 10 years ago, the idea was mooted that farmers here might be involved in Fairtrade, many producers in developing countries strongly objected. After all many of them were, and continue to be, victims of the very subsidies from which farmers in the EU and USA benefit but which undercut their products (e.g. [cotton](#)). However, she said that maybe the time has come to revisit the argument.

Robert Craig, the dairy farmer who is Chair of the Cumbrian NFUs, and Stephen Best, the St Lucia banana farmer, reflected on the impact of the drive for cheap food on farming and land stewardship, economic and social stability, human dignity and waste. To Stephen it is simply 'an insult' that his high quality bananas expertly grown on his 5 acre farm in the Windward Islands should ever have been treated by the supermarkets as a 'loss leader'. The power wielded by the big retailers has also had a devastating impact on dairy farmers in Cumbria.

Robert spoke of the importance to him of his visit to the Windward Islands in October, when he met Stephen: how he had been immensely impressed by the level of farmer organisation and cooperation, the massive impact which Fairtrade has had, and of the passion for farming of some of the farmers whom he had met. And how he realised that in many ways they were more developed in their thinking and organisation than we are here, and how this was a great surprise to him. (See Robert's excellent article in the [Church Times](#), 18<sup>th</sup> November 2011, for a full account of his visit.)

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<sup>2</sup> These included Oxfam, Christian Aid, CAFOD, Traidcraft, the World Development Movement and the national Federation of Women's Institutes.

Stephen described the situation of banana farmers in his small island nation (one tenth the size of Cumbria and with one third of its population, but similarly dependent on farming and tourism) with the progressive removal of protection under WTO rules from 1993 onwards:

- Between 1992 and 2009, annual export volumes fell from 135,000 tonnes to 30,000 tonnes.
- Revenues crashed from US\$71m to US\$16.1m.
- Farmer numbers down to 1,200 from 10,000.
- Massive increase in poverty, anti-social behavior and crime.
- Inability for farmers to adequately provide for the physical and educational needs of their families, with children dropping out of school.
- Banana farmers working ever harder to meet supermarkets standards but unable to pay workers let alone themselves.
- Capitulation of the entrepreneurial spirit that characterized the Windward Island banana farmers.
- Windward Island banana farmers were in danger of becoming an 'endangered species' within the sea of unconscionable and unfair trade that fractured regional integration and exacerbated poverty.

Stephen asked: *'Is this the world we seek to fashion from the 21<sup>st</sup> Century?'* before going on to describe the farmers' response to the crisis, the role which Fairtrade had played in that response in providing them with access to markets, and the impact of Fairtrade on:

1. farm and household incomes;
2. farmer cooperation;
3. democratic participation and accountability;
4. farming methods (including disease control, intercropping);
5. diversification;
6. farmer training;
7. quality improvement;
8. investment in education, health and infrastructure;
9. environmental management and stewardship;
10. bio-diversity;
11. assistance to farmers with recovery from hurricanes.

Stimulated and informed by the plenary talks, in the afternoon delegates took part in seven workshops. Each participant had chosen the workshop they wished to attend and had been sent a briefing paper on the subject of the workshop which gave background to the subject and set a framework of questions to be considered. The themes were: connecting local producers with local consumers; farmers working together; a Cumbrian brand; adding value to local wool; distributing local produce; dedicated supply chains for milk and public procurement.

The main purpose of the workshops was to generate ideas and make recommendations for action, and this was abundantly achieved. Ideas based on experience in the past and current practices

were combined with fresh thinking. For example, the workshop which considered the challenge of connecting producers with consumers advocated farmers and producers working in partnership with supermarkets in order to promote the reasons why people should buy locally produced and fairly traded products. There was support from representatives of supermarkets for this proposal. The benefit of connecting the purchaser with the provider is clear from Fairtrade which has made the most of the inclination of the consumer to act ethically, and this aspiration could also be a component of a possible new Cumbrian brand which was the subject of another workshop. There was full recognition of the complexity of a local brand, but also a determination that such a mark would be a signal of fairness as well as local provenance.

Other workshops put forward proposals to exploit the opportunities available to build on the current growth in the use of Cumbrian wool by developing existing enterprises; the strengthening and consolidation of existing distribution schemes, and the enhancement of existing promotion of local and Fairtrade goods in public procurement.

Behind many of the discussions lay recognition of the need for cooperation within communities of producers and farmers. A workshop on the urgent question of the price accorded to dairy farmers for their milk concluded that 'a more united industry wide approach must be adopted with everyone across the chain including farmer representative organisations working together'. It was agreed in a workshop looking specifically at farmers working together – and there is evidence of that all over the county - that any solution should be farmer led. The existing Farmer Network was recognised as well placed to bring together the various groups and bodies of farmers, as well as other rural agencies, to continue the discussion.

At the end of the conference two local MPs added their commitment to action to those of the other participants. Rory Stewart, MP for Penrith and the Border, announced that he would be holding a parliamentary event in February 2012 on fair pricing and the Groceries Code Adjudicator. Tim Farron, MP for Westmorland and Lonsdale, made a commitment to lobby the government to include the power to fine supermarkets in the Groceries Code Adjudicator's remit.

Full reports of the workshops are now available on [Cumbria Fair Trade Network](#) website. Cumbria Fair Trade Network acknowledges the generous support for Cumbria Local and Fair provided by:

