

The Fairtrade Effect

What we do, why we do it and how we know it works



Measuring positive change

As the most trusted ethical certification globally*, we work hard to live up to that trust. Fairtrade regularly commissions research to measure our impact for farmers and workers, and identify where we can improve. We publish the results both in the interests of transparency and so we can learn and progress towards fairer and more sustainable global trade.

It's important for anyone interested in Fairtrade – whether a farmer, a shopper or a business – to see where we're making a positive difference. We call it the "Fairtrade Effect."

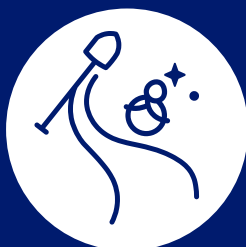
Key areas of Fairtrade's influence



**Economic
Benefits**



**Climate-
Resilient
Farming**



**Inclusiveness &
Representation**



**Better
Working
Conditions**



**Trust &
Satisfaction**

How can we be confident we're on the right track?

In 2024 Fairtrade commissioned researchers to examine 19 areas where Fairtrade seeks to make a difference according to our theory of change. We asked them to review research and other data and to look for connections between what we do (interventions) and the end results (impacts). This 'study of studies' — the second of its kind — initially identified 143 studies from 2021-2024. Of these, 122 were research papers of high-enough quality to be included, supplemented by Fairtrade's own programme and monitoring data.

Fair, sustainable and resilient supply chains

Analysis of 122 studies confirms positive Fairtrade influence on economic, social and environmental sustainability. The Fairtrade Effect is grounded in many of the things that set Fairtrade apart: our minimum prices and Fairtrade Premium, robust standards and hands-on producer support.

Knowing how these elements translate to medium- and longer-term outcomes and impacts helps companies make sourcing decisions that encourage sustainable supply chains and mitigate risks, meet consumer demands and comply with new legislation.

In line with our theory of change, in nearly all the areas where Fairtrade can influence change in the medium term, it does. When it comes to long-lasting impact, the study found that Fairtrade contributes to sustainable, resilient and fairer supply chains.

**“Fairtrade
can confidently claim
success across most
intermediate outcomes.”**

Fairtrade International Evidence
Map 2021-2024: Evidencing the
theory of change (2025)



The Fairtrade Effect: What we know



ECONOMIC BENEFITS [60+ STUDIES]

Fairtrade provides producers with price stability [21 studies]* and extra funds from the Fairtrade Premium for the benefit of farmers and communities [12]. This results in higher incomes for farmers [10], improved farm revenues and higher net returns [4], and greater income stability [1]. Out of 60 studies that looked at economic gains as a long-term outcome, almost 90 percent showed positive or somewhat positive effect for cooperatives and farmers.

For workers on large Fairtrade certified farms, the findings are mixed. Workers on some large Fairtrade certified farms do tend to enjoy better in-kind benefits such as the payment of children's school fees. That said, improvements in workers' wages have been limited – partly because wage agreements in some countries and sectors (such as tea) undermine our progress toward living wages. We are encouraged that some Fairtrade initiatives – including floor wage levels and voluntary living wage reference prices – do show some promise in some sectors, but more is needed.

*Figures in brackets refer to the number of relevant studies for each category or finding.

“Fairtrade has made progress in climate resilience, biodiversity conservation, and pollution reduction.”



CLIMATE-RESILIENT FARMING [33+ STUDIES]

Fairtrade's training and support programmes lead to increased knowledge and awareness among producers of issues such as improved farm management and agrochemical application [4 studies]*, disaster risk management training and planning [1] and sustainable farming practices [1]. Farmers use this knowledge to improve agricultural practices including the use of fertiliser, pesticide and herbicide [5]; conserve soil, water and forests [5]; practice crop rotation; invest in energy-efficient technologies such as solar panels; plant tree nurseries; and adopt climate-smart techniques (1 study each).



INCLUSIVENESS & REPRESENTATION [21+ STUDIES]

Fairtrade is linked to higher participation by women in cooperatives [1 study]; gains in gender-focused capacity building, skill acquisition and workforce inclusion [2]; and women's leadership opportunities, increased economic status, and successful capacity-strengthening efforts [10].

However, women's participation does not always guarantee increased representation or influence at leadership levels, and the lack of studies into the representation of young people or marginalised communities indicates the need for further research.



BETTER WORKING CONDITIONS [26 STUDIES]

Fairtrade has a positive influence on labour issues such as fair contracts and health and safety. Studies show workers tend to know more about their labour rights, health and safety [3 studies]; enjoy better distribution and use of protective gear and equipment [5]; are less exposed to pesticides and chemicals [4]; have written contracts for migrants [1]; and comply with legal work hours [1]. Workers also benefit from higher health and safety standards, safer working practices and improved labour conditions [7].



TRUST & SATISFACTION [31 STUDIES]

Both farmers and workers value Fairtrade particularly for the financial benefits of the Fairtrade Premium, social investments [3 studies] and training [2], with close to 90 percent expressing satisfaction with the services they get from the three Fairtrade Producer Networks [1]. High consumer trust in Fairtrade drives their choice of Fairtrade products and willingness to pay slightly more for them [1]. Businesses told researchers they value Fairtrade because it aligns with their sustainability goals, strengthens their reputation and provides robust monitoring data [1].



SUSTAINABLE, RESILIENT & FAIRER SUPPLY CHAINS [19 STUDIES]

The majority of studies [10 studies] suggest Fairtrade has a positive longer-term influence on supply chains and trade relationships in some sectors, including higher incomes for some coffee farmers, decentralised governance and greater collaboration between farmers and other supply chain actors [1]. Fairtrade also helps to promote equity, inclusion and sustainable development among buyers and traders [1].

“Robust methodologies provided compelling evidence of Fairtrade’s impact... results were overwhelmingly positive.”

The Fairtrade Effect: what we don't (yet) know

The existing research is too limited to draw valid conclusions about Fairtrade's influence on several key areas, including market, social and environmental data; freedom of association; and achieving public policies that support broader societal change. In addition, we know more needs to be done to improve benefits for young people, and workers in hired labour organisations. We are committed to more research in these important areas, and continually refining our approaches and partnerships to make more progress.

How companies can add to the Fairtrade Effect

We take the study findings seriously, whether positive, neutral or negative. We're already analysing them to re-evaluate — and if necessary to revise — our Theory of Change. But the evidence does show that the Fairtrade Effect is a positive influence on many key elements of sustainable supply chains.

In many settings, the Fairtrade Effect means improved financial security for farmers, more opportunities for women, fairer working conditions, increased climate resilience, greater trust, and ultimately sustainable and more resilient supply chains. The things that set Fairtrade apart – as the only global certification with producers as co-owners, a minimum price and fixed premium, strong standards and hands-on support for producers – drive deeper impact and make it easier for businesses to meet today's customer and legislative demands.



Learn more about the Fairtrade Effect by scanning the QR code, or visiting fairtr.de/evidencemap2025. There you'll find the full study and a complete list of citations and references to the individual studies included in the research.

