



ethical
trading
initiative

PRESS RELEASE

Release date 10 October 2005

New ethical guidelines could help break cycle of poverty

New guidelines on working with smallholders launched in London in September could help break the cycle of poverty, says Ethical Trading Initiative¹ director Dan Rees.

“Smallholders are amongst the world’s poorest, and suffer amongst the worst terms of conditions of work. The ultimate aim of the guidelines – ‘*ETI smallholder guidelines*’² - is to progressively improve their situation through the implementation of internationally agreed labour standards on smallholdings.”

The guidelines have global implications as millions of workers work on smallholdings within the food supply chain, most commonly in producing tea, coffee and vegetables.

Says Rees, “These guidelines are hugely significant not only because of the numbers of workers involved, but also on two further counts:

- For the future of ethical trade as a business issue. The guidelines demonstrate our belief that companies need to move away from a sole focus on audits and towards one that is based on assessing the needs and priorities of the workers concerned and then working out solutions over a realistic timeframe.
- The collaboration across all sectors needed to produce these guidelines – including unions, NGOs, and the UK food industry³. Sainsbury’s, Marks & Spencer, Asda, Somerfield and the Co-op were all involved in their development, as well as major suppliers to these retailers.

Ethical Trading Initiative
Cromwell House
14 Fulwood Place
London WC1V 6HZ
United Kingdom

t +44 (0) 20 7404 1463
f +44 (0) 20 7831 7852
ethicaltrade@eti.org.uk
www.ethicaltrade.org
REGISTERED IN ENGLAND NO. 3578127

1. The Ethical Trading Initiative (ETI) is an alliance of companies, trade union bodies, development and campaigning organisations established in 1998 to improve the lives of workers and their families in global supply chains. The ETI believes that companies producing, supplying and selling goods for consumer markets should observe national and international labour laws. ETI purpose is to identify and promote responsible corporate practice that will help make this a reality.

² *ETI smallholder guidelines: recommendations for working with smallholders* is for use by retailers, purchasers, auditors, NGOs, trade unions and smallholders. It provides detailed guidance and tools for implementing corporate labour codes with smallholders and their workers. Download a free copy of the guidelines in English, Spanish or KiSwahili from www.ethicaltrade.org, or for a hard copy contact the ETI Secretariat, Cromwell House, 14 Fulwood Place, London WC1V 6HZ.

³ The ETI group working on this project has unparalleled practical experience of working with and for smallholders. Group members include leading UK supermarkets Asda, Marks & Spencer, Sainsbury’s, Somerfield and the Co-op, and major supplier companies including the Ethical Tea Partnership, Premier Foods, Ringtons and Flamingo Holdings. The Transport and General Workers’ Union (TGWU) has also been heavily involved, as have Oxfam, Africa Now, Fairtrade Foundation, Traidcraft and Twin Trading.

The guidelines were developed over a three-year period in Kenya with smallholders in the tea and fresh produce sectors.

The tea and horticultural sectors are Kenya's first and second largest foreign exchange earners respectively in the agricultural sector, and smallholders are important actors in both sectors: tea smallholders in Kenya account for 60 percent of tea exports and horticultural smallholders producing avocado, beans and other vegetables account for 55 percent of exports.

Says Dr. Stephen New, Director of the Kenya Horticulture Development Centre:

"The guidelines are not absolute standards, but a useful tool for growers to help improve working conditions over time. In 2004, small-scale growers in rural areas earned more from this industry than ever before. The guidelines will help the industry maintain this positive trend, as it contributes significantly to poverty reduction".

Says Dr Maggie Opondo, ETI's project manager in Kenya: "We are delighted to have been the case study country for the development of the ETI guidelines. They have the potential to make a major long-term impact on the lives of workers worldwide, and not only in Kenya. We had great support from UK retailers and Kenyan suppliers, local and international NGOs and unions in preparing the guidelines, for which we are grateful. Such influential stakeholders will help us drive this process through and we look forward to reviewing progress in the field when we assess the feedback in early 2006."

- ends -