

Study quantifies benefits of Fairtrade cotton

LONDON – New research which used natural capital accounting methods to compare the impact of Fairtrade over conventionally grown cotton, claims the combined social and environmental costs of Fairtrade cotton farming are five times lower than that of conventional cotton farming.

The PI Foundation, GIST Advisory and Trucost were commissioned by the Fairtrade Foundation to quantify and value social and environmental externalities from cotton farming in India. Their research claims the impact of Fairtrade farming methods were found to be 97 per cent lower for the social elements and 31 per cent lower for the environmental components of farming.

Fairtrade cotton performed significantly better than conventional cotton for all environmental KPIs, according to the study criteria. Areas surveyed included land use, water pollutants, water use, GHG emissions and soil pollutants.

The research found that the most significant social advantage for Fairtrade farmers was having more income. The research compared community benefits from Fairtrade premiums, fair wages, income for farmers, engagement of unacceptable labour practices – such as child labour – and the social cost of overtime. It revealed that Fairtrade cotton farmers tend to have lower social costs, and higher social benefits such as fairer wages and investment in local schools. ■