

FAST FACTS: Fair Trade Certified™ Specialty Sugar



The History of Sugar

Cane sugar was first discovered in the South Pacific some 20,000 years ago. In 500 BC, sugar was first extracted from sugarcane in India, and the technology for sugar production slowly spread around the world.

In the early 1960's, falling commodity prices led to the collapse of the sugar industry. Since then, widespread poverty and malnutrition have been rampant in sugar cane cultivating communities. Today, sugar continues to be a highly unpredictable commodity.



The U.S. is an important sugar grower, producing over 80% of our domestic consumption. Impoverished sugar cane farmers in the developing world – subject to declining world prices, environmental degradation and hazardous working conditions – grow the small amount of sugar imported into the U.S.

Sugar prices are often so low that producers cannot cover their production costs, let alone feed their families or send their children to school. The minimum Fair Trade price covers the cost of sustainable sugar production. Prior to Fair Trade, this concept of economic stability was virtually unheard of to disenfranchised sugar farmers in the developing world.

Fair Trade Certified sugar is grown on farming cooperatives in Costa Rica, Malawi, Zambia, Paraguay, Peru and the Philippines.

Fair Trade Certified Sugar and the Environment

Large amounts of herbicides and pesticides are commonly sprayed on sugar cane crops. Burning and processing sugar crops can also cause serious pollution of the ground, air and waterways.

On Fair Trade farms, producers must adhere to strict standards regarding the use and handling of pesticides, the protection of natural waters, virgin forest and other ecosystems of high ecological value, and the management of erosion and waste.

Fair Trade prices enable small-scale sugar farmers to pay for organic certification and training in sustainable agricultural techniques. Nearly half of Fair Trade Certified sugar is also certified organic, from Paraguay, Costa Rica and Zambia.

The Sugar Market

About 135 million tons of sugar is produced on millions of farms and plantations in 127 countries worldwide every year.

Approximately 70% of the world's sugar is made from sugar cane, and 30% is made from sugar beet. Sugar cane grows in tropical countries, while sugar beet grows in temperate zones such as the U.S. and Europe.

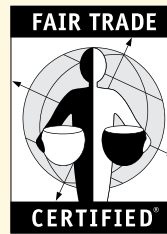
From sugar beet and sugar cane, three grades of sugar can be extracted:

- Whole raw, a mixture of raw sugar and syrup (molasses) that has not been refined and has not gone through the centrifugal process. Whole raw sugar retains all its vitamins.
- Raw, which is produced in the initial stages of white sugar manufacturing. A close substitute to raw sugar is Turbinado sugar, which is also slightly less processed than white sugar.
- Refined, from which white sugar is made, refers to white crystals of either sugar beet or sugar cane.

United States Department of Agriculture (USDA) surveys show that sweetener consumption in the U.S. has increased nearly 30% since 1983, and the average American consumes 20 teaspoons of added sugar a day.



TransFair USA and Fair Trade Certification



Fair Trade Certification ensures that sugar farmers receive a fair price for their harvest; creates direct trade links between farmer-owned cooperatives and buyers; and provides access to affordable credit. Through Fair Trade, farmers and their families earn a better income for their crop, allowing them to hold on to their land and keep their kids in school.

TransFair USA is a non-profit organization and the only independent, third-party certifier of Fair Trade products in the U.S.

TransFair USA launched its Fair Trade Certified label with coffee in 1999, and began certifying retail-ready sugar in 2005 and sugar as an ingredient in 2006.

Transfair USA is one of twenty members of Fairtrade Labelling Organizations International (FLO), the world's most rigorous social, economic and environmental certification system. FLO inspects producer organizations to ensure that strict socioeconomic development criteria are met using increased Fair Trade revenue, in addition to environmental stewardship and democratic decision-making. TransFair USA audits transactions between U.S. companies offering Fair Trade Certified products and FLO-certified producers, in order to guarantee that farmers and workers were paid fair, above-market prices and fair wages.

Over the last 8 years, TransFair USA has channeled nearly \$80 million in additional income to small-scale family farmers by certifying their products as Fair Trade.

Fair Trade co-ops use their additional income to improve the quality of their crops, to build business capacity, and for community development projects, such as building schools and healthcare centers.