

CASE STUDIES IN WOMEN'S EMPOWERMENT

A story from the Caribbean

Banana farming in a changing trading environment in St Vincent and the Grenadines

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Margaret James, banana producer

Mrs Margaret James began banana farming in 1992 in the small island state of St Vincent and the Grenadines, on the eve of the establishment of the Single European Market (SEM). When she entered the banana industry, everyone – the government, the Banana Growers' Association, NGOs, and farmers – was talking about the SEM and challenges which then lay ahead. Yet she embarked upon banana farming, which she saw as a means of earning a good livelihood and achieving economic independence.

Margaret farms two and a half acres and sells fruit every fortnight. She struggles to get workers, particularly men, to maintain her farm. She has seen more men than women, proportionately, leaving the banana industry, both as farmers and workers, because, in her opinion, men grapple more than women with adjusting to the changes brought about by the new banana trading regime. On harvest days, Margaret hires two women to wash and pack her fruit. Her husband cuts and transports the fruit to the packing shed. She relies heavily on him to perform extra tasks which hired workers would have done in the past. Her husband is very supportive and appreciates the role banana farming plays in meeting their needs. During weekends Margaret updates her production records. She claims that despite the problems banana farming remains her best chance at economic independence. For her banana farming provides a regular and steady income. The regular farming pays for house upkeep costs, finances household projects and, importantly, is a measure of economic independence. And despite the uncertainty there is an available market. She does not think the same applies to other types of farming.

The changing banana trade: from Lomé to Cotonou and the role of the WTO

¹ <http://www.igtan.org/page/393>

Historically, bananas from St Vincent and the Grenadines, and other Windward Islands, were shipped under preferential access to the UK market. This arrangement was sanctioned by various trade agreements, culminating in the Lomé IV Convention signed in December 1989 between the European Community and the African, Pacific and Caribbean (ACP) countries.

The Lomé IV Convention came to an end in February 2000, after a United States request in the World Trade Organization, and was replaced by the Cotonou Agreement, signed in June 2000 between the European Commission and the ACP countries. The Cotonou Agreement differs from the previous Lomé Conventions in that it was designed primarily as a financial support package to ACP countries and took notice of the changes in international trade and economic uncertainty most ACP countries were then facing. The primary objective of the Cotonou Agreement is to promote and expedite the economic, cultural and social development of ACP States. It is centred on reducing poverty, with the goal of eradicating poverty by 2020.

However, under Cotonou, the non-reciprocal trade preferences granted to ACP nations under Lomé, whereby ACP countries could export certain products duty free to EU markets, have been replaced by a new system based on Economic Partnership Agreements (EPAs) with individual countries. These are reciprocal, meaning that – with certain exceptions, including Least Developed Countries and ‘vulnerable’ countries, which include small island states – ACP countries also provide duty-free access to their own markets for EU exports.

The preferential access to the European market which ACP countries had enjoyed under Lomé had already begun to erode in 1992, following the creation of the Single European Market (SEM). Under a new banana regime established in 1993, the United Kingdom allowed for a quota of bananas from the Windward Islands (including St Vincent and the Grenadines) to be landed without tariffs. However, the new regime also meant that bananas shipped to other countries within the SEM could also be sold in competition with Windward Islands bananas on the UK market.

The establishment of the World Trade Organization (WTO) in 1995 brought further changes to the marketing of Windward Islands bananas in the UK. The quota system was successfully challenged before the WTO. Other elements of the preferential system² were also challenged, thus gradually eroding the dominance of Windward Islands bananas in the UK market.

² For the EU's Generalized System of Preferences, see, for example, http://ec.europa.eu/trade/issues/global/gsp/index_en.htm

The removal of preferences has had a negative social and economic impact on families, communities and the overall economy of the small island state of St Vincent and the Grenadines. Changes in trading arrangements have resulted in a loss of confidence in the market. This has translated into a steep decline in the production of bananas. In the early 1990s at least one-third of households depended on agriculture – mainly banana cultivation – for their livelihood. At the national level agriculture accounted for approximately 20 per cent of GDP. By the end of the 1990s the contribution from bananas had dropped to about 2 per cent of GDP. The income from bananas, which went largely to families and communities, was approximately 100 million Eastern Caribbean dollars³ annually. During the last decade, production has continued to decline and is less than a quarter of what it was in the early 1990s.

The new approach to banana farming

Approximately 2,000 of the total of about 30,000 households in St Vincent and the Grenadines continue to earn their livelihood from the banana industry, but for them too income has declined. Those who continue in the industry are able to do so through the international fair-trade marketing system and by adhering to the practices and principles set up and regulated by the Fairtrade Labelling Organizations International (FLO).⁴ Marketing under the Fairtrade label has come as a lifeline to those who continue as banana farmers. The Fairtrade system, however, has proven to be a challenge as well as an opportunity for the continued livelihood of those who remain in the industry.

The marketing of bananas under the Fairtrade label began in St Vincent in 2002, a full decade after the SEM was created in 1992. Taking up fair-trade production in St Vincent was achieved through much effort by WINFA, the Windward Islands Farmers' Association. WINFA, though a regional NGO, is the main representative farmers' organisation in St Vincent and the Grenadines. There are other farming-related organisations, such as the St Vincent Banana Growers' Association (BGA), but none is as involved in farming issues as WINFA. Prior to the decline in the production of bananas, the BGA represented and acted in the interest of all banana farmers. It still has the mandate to do so, but now it does little beyond the coordination of shipping and the distribution of payments. WINFA, which has now become a key player in the banana industry, initiated the production and marketing of bananas under the Fairtrade label. One of its first efforts in this respect in the Windward Islands was to establish the National Fair Trade Committee (NFTC). This was a prerequisite for marketing Fairtrade bananas.

³ Approximately €30 million.

⁴ See Fairtrade Labelling Organizations International website: <http://www.fairtrade.net/>

Once the NFTC was established, FLO granted WINFA the authority to register farmers as Fairtrade suppliers. The NFTC – St Vincent and the Grenadines now manages all fair-trade-related matters, while WINFA still plays a supporting role, which includes:

- assisting in the training of producers;
- negotiating and lobbying for the continued marketing of Windward Islands bananas on the UK market;
- assisting with the monitoring and implementation criteria for the production of bananas;
- supervising the use of the social premium.⁵

WINFA now performs many of the duties and functions previously carried out by the St Vincent BGA, a statutory body with legal responsibility for the production and marketing of bananas. WINFA consistently lobbies European governments and NGOs to maintain tariffs at a level affordable to the Windward Islands industry so that banana farmers can continue to earn their livelihood from the industry. The BGA still exists but in practice no longer fulfils its functions as the sole authority on the production and marketing of bananas.

The NFTC is the body responsible for the management of all fair-trade business in St Vincent and the Grenadines. The Committee comprises a paid staff member and representatives of farmers' groups. There are sixteen such groups of Fairtrade farmers, and one member of each group is represented on the Committee, which sets policy and supervises the production of bananas under the Fairtrade label in St Vincent. There are five women on the Committee.

In order to qualify for shipping under the Fairtrade label, farmers must adhere to several principles and practices:

- All farmers who sell their produce under the Fairtrade label must attend Fairtrade group meetings regularly.
- Farmers must abide by EurepGAP standards,⁶ which include the use of safety gear, proper disposal of waste, no littering in the field, etc.
- Farmers must manage their farms responsibly with good record-keeping and reduction of chemical inputs where possible.
- People who handle chemicals must be trained; they must be over 18 years old and cannot be pregnant or breastfeeding, or have any chronic disease.

⁵ For more information on the social premium, see below (page 5).

⁶ EurepGAP is a private-sector body that sets voluntary standards for the certification of agricultural products around the globe. For more information on EurepGAP standards, go to: <http://www.eurepgap.org/>

- Herbicides may be applied only against water grass and with written permission from the extension officer.
- Organic waste must be used as manure whenever possible.

Several of these standards prescribe practices that are different from those prevailing in traditional banana farming and have proved too great a challenge for many farmers. Some of the farmers do not have the financial resources to upgrade their farms, others lack the confidence and competences to keep records and document production practices, and yet others cannot adjust to the practices aimed at maintaining environmental sustainability and personal health.

Farmers who sell under the Fairtrade label receive higher prices than those who sell bananas under the traditional system. In addition, Fairtrade farmers receive a *social premium*. This is a separate payment made on every box of bananas sold. This payment, which for farmers in St Vincent and the Grenadines amounts to USD 1.70 per box, is designated for social and economic development in the producing communities. The social premium is used to improve the social infrastructure in the farmers' communities, towards their own capacity building and generally to improve living standards. The favourable price that is offered by Fairtrade, along with the social premium, has encouraged several farmers to remain in the industry. These farmers believe they can still be successful at earning a livelihood, despite all the extra challenges.

There are also other problems and challenges in the management of a banana farm which the farmer must overcome if she or he is to be successful within the current Fairtrade production system. For instance, it is difficult to get workers to maintain a farm that follows the specified health regulations. Also, the farmers have to build harvesting and post-harvesting structures on their farms to the standards set by the European Union. Margaret James is among those farmers who are in the process of upgrading their farms so that they can become certified farmers. To upgrade her farm she must build a storage shed according to specified standards and install adequate sanitary facilities on the farm. Once certified, however, she will be eligible for direct contracts with supermarkets in the UK.

Previously, farmers were granted production inputs from the St Vincent BGA on credit. Payments for the inputs were deducted at source once the farmers had sold their bananas. Farmers have stated that the lack of inputs such as materials that protect growing plants from bruises and insects and the general absence of support from the industry is one of the biggest challenges to continuing in the industry. Nevertheless, there are still some who are prepared to overcome all hurdles and continue banana farming. Joycelyn is one such farmer.

Women as leaders and decision-makers

Joycelyn is an active member of her district Fairtrade group. She serves as the group's treasurer. The group meets once a month. There are 29 farmers in her group, ten of whom are women. The group monitors the application of Fairtrade practices at the district level, and develops and implements community projects which are financed by the social premium. As one of the members of the group who operates her farm according to the requirements of Fairtrade, Margaret assists other members with their record-keeping duties. (Some of the members of her group, despite training, lack confidence and the competences to do their own record-keeping.)

So far, Margaret's group has implemented several projects including:

- upgrading the facilities of two community pre-schools;
- providing equipment to the health clinic;
- financing sporting events.

For four years, Margaret represented her group on the National Committee. She recently resigned from the position. The National Committee, like the district groups, meets monthly. Representatives of the various groups take project ideas to the National Committee for discussion and approval. Representatives are also required to contribute to policy and programme planning.

Margaret is unhappy, however, as she feels that many representatives of the district groups are often sidelined from the decision-making process. She has raised this with WINFA, the overall national supervising body, but has received a less than satisfactory response. She intends to take the issue further and raise with representatives of the international monitoring body issues of the inclusion of members at all levels of decision-making, and the lack of responsiveness and accountability on the part of the NFTC. She sees it as her duty to make the national body function in the interest of all its members.

Margaret is not alone in this view, as there is another female member of the executive who shares her opinion. However, they do not think their inputs are ignored because they are women. (One of the key members of the "inner circle" is a female farmer.) They think that there are other prejudices at work, such as the perceived financial status of a farmer, educational background, and social grouping.

Conclusions and recommendations

This case study outlines the situation and challenges that small banana farmers face in an environment of change and a context of new forms of trading. It also provides an insight into farmers' organisations, their operational practices and the roles played by farmers in fulfilling such duties, as well as the barriers that prevent some farmers from engaging in the work of organisations that are meant to represent them.

Despite the uncertainty in the banana industry, the decline in production and waning interest on the part of traditional industry officials, banana farming is still a vital source of livelihood for the remaining farmers and workers. Moreover, the situation of Joycelyn, and her commitment to continuing production, shows that there are farmers who believe in the industry and are willing to adjust and change to meet the new demands of the market.

However, for such farmers to be successful, and for them to be actors in the governance of the industry, several things should happen.

- *There is a need for ongoing training/capacity building as circumstances change. Some farmers, however, lack the basic competences to absorb technical training regarding the production of bananas and the requirements of Fairtrade. Training programmes should therefore take cognisance of this and include elements of basic education. Additionally, there should be programmes offering new and non-agricultural skills to farmers, particularly those who are under fifty years old.*
- Margaret James can be described as a model farmer, an inspiration to small farmers in general and to women farmers in particular. However, for her to be fully empowered and to function as her competences would allow *there should be rules to limit traditional barriers that prevent women and other socially disadvantaged groups from participating on equal terms with those who are more powerful.*
- The NFTC was set up according to basic participatory principles which guide its functioning in general, but it *should enforce more stringent rules that would make decision-making outside the stated guidelines illegal.* In order to help disadvantaged farmers, and particularly disadvantaged women farmers, to grow financially and improve their leadership capacity, all farmers placed in positions of leadership should be accepted as equal and allowed to take part fully in decision-making processes.

List of main acronyms

ACP countries – African, Pacific and Caribbean countries

BGA – Banana Growers' Association

FLO – Fair Trade Labelling Organizations International

NFTC – National Fair Trade Committee

SEM – Single European Market

WINFA – Windward Islands Farmers' Association

WTO – World Trade Organization