

PJT Fair Trade Facts

What is Fair Trade?

Fair Trade means an equitable and fair partnership between businesses and organizations in North America and producers in the developing world. Fair Trade businesses foster long-term and direct relationships with producers, because these connections are a highly effective way to help producers help themselves.

Partners for Just Trade (PJT) is a member of the Fair Trade Federation and committed to the following principles:



- Paying fair wages in a local context;
- Supporting participatory workplaces;
- Ensuring environmental sustainability;
- Supplying financial and technical support;
- Respecting cultural identity;
- Offering public accountability and transparency; and,
- Educating consumers.



Our goal is to benefit the artisans we work with, not maximize profits. By reducing the number of middlemen and minimizing overhead costs, we return up to 40 percent of the retail price of an item to the producer. We encourage the artisan groups to reinvest their profits into their communities. Many producers who work with Fair Trade Organizations have committed time and money to build health clinics and support other community projects in their villages.

Partners for Just Trade Practices and Pricing

PJT only works with artisans that live in poverty (defined as less than \$3 per person per day in a family) or extreme poverty (less than \$1 per day) and with groups who have a minimum of five people from different families. We use democratic principles and practice transparency to ensure that working conditions are safe and dignified, and that the artisans have a say in how our products are created and sold.

The artisan group sets its prices, manages the money, decides when to pay its members and when to invest in materials, and is responsible for all aspects of production from accepting the order to quality control. Not only does this mean that all members sense a joint responsibility for the group, it also means they learn skills from each other in math, communication, and every member understands the financial situation of their group.



Our artisans set the prices that they feel are fair for their work; this price covers the cost of materials and payment for labor, and is not less than minimum wage. That along with various other costs (Peruvian customs, packing, tags, and quality control) make the FOB price. PJT's retail price for all products is only 2.5 times this FOB price. PJT pays for the shipment of products from Peru along with customs and duties charges. Underscoring our commitment to transparency, the artisans are aware of PJT's retail price.