

An Appraisal of the Socio-economic Impacts and Challenges of Fair Trade among Emerging Farmers in the Eastern Cape, South Africa

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ABSTRACT This paper examines the socio-economic impacts of fair trade on black emerging citrus fruit farmers in the Eastern Cape province of South Africa. It also evaluates the impacts of fair trade's social dividend on public infrastructure investments in fair trade farming communities. The paper uses a qualitative approach. Data was collected using in-depth semi-structured interviews and focus group discussions. It finds that farmers benefit from transparency within the fair trade system thereby generating significant net profits that are channeled into on-farm investments and household livelihood activities. Fair trade communities have also benefited through public infrastructure investments which are funded by the fair trade social dividend. On the other hand, the study also identifies some limitations of the fair trade system. For example; farmers incur high costs to become fair trade accredited which is a huge financial expenditure for an emerging farmer attempting to build a profitable commercial farming enterprise.