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CCLA Report for the Church of England 'Fair Trade Begins at Home: Supermarkets and the Effect on British Farming Livelihoods'

A major report written by CCLA's Socially Responsible Investment Unit has sparked the Church of England's call for consideration of an independent ombudsman to prevent supermarkets from squeezing farmers' business.

The report – 'Fair Trade Begins at Home: Supermarkets and the Effect on British Farming Livelihoods' – was commissioned by the Church's Ethical Investment Advisory Group, in response to concerns among members of the General Synod that many farming enterprises are unviable due to supermarket pressure on farm product prices.

CCLA is the leading specialist investment company for charities, churches and local authorities in the UK and provides the secretariat to the Church's Ethical Investment Advisory Group.

The report's authors Neville White and Amanda Young conducted a series of one-to-one and group meetings with farmers around England.

They identified a worrying number of invisible and pernicious practices, largely unheard of by consumers, which have been accepted by farmers as a *fait accompli* as part of the price of doing business. These include:

- products labelled as British but often only processed or packaged here and obscuring the country of origin of the primary ingredients

- flexible contract terms that seldom work to the advantage of the farmer
- flexible payment terms subject to arbitrary change that often put farmers to an increased cost or financial loss
- facilitation payments, deductions and a range of financial inducements paid to the retailer or processor at the farmer's expense
- little evidence that retailers share the benefits of promotions with farmers and much evidence that farmers, in the main, bear the costs.

“The Church is well-placed to speak up for those who are not being heard and propose practical change to those with influence,” said Neville White, Secretary to the EIAG and CCLA's SRI Unit Manager. “The Church is an investor in the food retail sector and has a role to play in putting the concerns of the wider Church to the companies in which it invests. It is also a significant landowner throughout England and has witnessed at first hand the pressures being felt by its tenants and the economic vulnerability many farmers face in producing their goods below cost.”

The Church of England press release can be found at
<http://www.cofe.anglican.org/news/pr10607.html>

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Notes to Editors

CCLA's origins go back more than 40 years to a partnership between the Church of England, the Charity Commission and Local Authority Associations. CCLA aims to provide clients through the funds that it manages, the best and most suitable ways of investing their money.

CCLA supports the Church of England Ethical Investment Advisory Group (EIAG), and has adopted the Statement of Ethical Investment Policy recommended by the EIAG for the Church of England. The EIAG co-ordinates and develops ethical investment policy on behalf of the national church institutions (the CBF, the Church of England Pensions Board and the Church Commissioners), and makes considered recommendations based upon research prepared by the EIAG secretariat based at CCLA.

CCLA considers environmental, social and governance factors at each stage of its investment process. Its award winning team provides SRI and corporate governance services to its funds and works on a consultancy basis for a number of external funds.

For further information on CCLA visit www.ccla.co.uk, Freephone: 0800 022 3505