



Global boiling is here and it's unfair The Fair Trade Movement calls for immediate action



Co-funded by
the European Union

This publication was co-funded by the European Union. Its contents are the sole responsibility of the Fair Trade Movement and do not necessarily reflect the views of the European Union



Table of content

1 Introduction

2 Championing climate finance as a force for good

- A. Turning commitments into targeted action
- B. Making the case for accessible and inclusive climate finance tools
- C. The importance of an inclusive Loss and Damage Fund

3 The enabling environment

- A. Recommendations on the Sharm el-Sheikh joint work on the implementation of climate action on agriculture and food security
- B. Embrace the concept of agroecology
- C. Support to sustainable business models and practices as the new norm
- D. Transformative supply chain laws and trade patterns for lasting climate action

4 Conclusion





1. Introduction

UN Secretary General Antonio Guterres recently declared that the world has entered the era of “global boiling”¹. Our daily news underscores this alarming picture with record-breaking meteorological disasters. Climate change has become impossible to ignore. And so has the fact that its effects are unequally distributed across systems, regions and sectors, leading the people least responsible to be the ones worst affected.

As Bayardo Betanco, a Fairtrade coffee farmer of the Prodecoop co-operative in Nicaragua, states:



*There is a chain on earth that starts where the producers are. They are the ones who suffer the consequences of climate change, the ones who get the least help, and carry all of the burden. It's not fair.*²

Worldwide, producers and local communities struggle with unstable, reduced yields and income³, unsuitable land severely affected by changing weather patterns, degraded crop quality, scarce water resources availability, and food insecurity, resulting in economic hardship. The shift of production landscapes due to climate hazards is set to create additional challenges for the livelihoods of the most vulnerable actors within global supply chains while putting at risk the preservation of valuable ecosystems.

Bayardo's situation is one shared by millions of people across the world, where economic opportunities are marginal and government assistance for adaptation and mitigation is limited or non-existent. Communities and smallholders like Bayardo need the historically biggest polluters to live up to their responsibilities to make proper mitigation and adaptation tools more easily available them. In that context, international organisations, decision-makers and donors must play a leading role in increasing tools for adaptation and rapidly disburse funds to vulnerable communities. Honouring financial promises is essential for maintaining global trust, particularly during times of crisis.

Communities in a vulnerable position must be able to sell their products under fair terms that allow them to cover the cost of sustainable production or transitioning towards it. Furthermore, companies must perform stringent human rights and environmental due diligence to ensure that trade can become a force for good and mutually beneficial for people and the planet. Fortunately, there is no need to reinvent the wheel: the Fair Trade Movement's different schemes work with more than 2 million farmers, hundreds of thousands of artisans as well as visionary small and medium-sized enterprises (SMEs) – through tested and approved models that improve their economic independence while increasing their capacity to cope with climate-related stressors. These models and their core principles must be mainstreamed and emulated to re-define “good business” as taking care of people and the planet.

In light of the upcoming COP28, the Fair Trade Movement reiterates its plea for immediate action: to create meaningful and lasting impact, climate justice must be the foundation of all climate action taken. The window of opportunity is rapidly narrowing and must be seized now. To do so, different avenues of enforcement urgently need to be considered and championed by public and private sector actors as outlined below.





2. Championing climate finance as a force for good

A. Turning commitments into targeted action

Delivering on global climate finance goals

Increased and reshaped international climate finance is a prerequisite for many countries who are heavily affected by climate change to be able to implement ambitious nationally determined contributions (NDCs) and achieve their goals.

While the US\$ 100 billion commitment is expected to be fulfilled for the first time this year, and the past months have witnessed revamped financial pledges from world leaders such as in the aftermath of the [Paris Climate Finance Summit](#)⁴, richer countries have still failed to mobilise the promised amount per year⁵ from 2020 to the present day⁶. Furthermore, discussions have concentrated on a tiny fraction of the estimated US\$ 2.4⁷ to US\$4⁸ trillion needed per year by 2030 for poorer countries to be able to reduce their emissions, efficiently deal with climate change impacts, and boost their resilience⁹.

Similarly, more efforts must be made to effectively tackle the fundamental issues of debt restructuring, as well as the extremely high borrowing costs faced by the most climate vulnerable countries, which are up to eight times higher than those of countries with strong economies. This is why the Fair Trade Movement supports an in-depth reform of the global financial architecture, increased targeted official development assistance (ODA), revised sovereign credit ratings that consider the long-term growth potential of Sustainable Development Goals (SDG) investments¹⁰, as well as scaled-up and revamped relations with local partner institutions on an equal-to-equal basis. All of these would contribute to creating a more just financial system which could provide the necessary leeway to finance an inclusive green and sustainable transition.

We believe a new climate finance roadmap is needed, outlining actionable and time-bound deliverables **to advance climate finance ahead of and during COP28**, unlock new and inclusive financing sources such as for instance taxes and levies¹¹, develop transparent report mechanisms on financial pledges, and double adaptation finance as promised during COP26.

Scaling up adaptation finance

While the strong focus of mitigation on reducing the pace of greenhouse gas (GHG) emissions often makes it easier and less risky to invest in, it remains necessary to overcome the current allocation imbalance between adaptation and mitigation.

*UNEP's Adaptation Gap Report 2022*¹² highlights that international adaptation finance are 5 to 10 times below the estimated needs and the gap is widening. Prioritising actions that both reduce greenhouse gas emissions and help communities adapt, such as nature-based solutions and agroecology practices, would contribute to resilience while supporting the reduction of farmers' footprint. Particularly in climate vulnerable countries, increased context-specific adaptation finance mechanisms are essential to reducing communities' social and economic vulnerability to the impacts of climate hazards.

The Fair Trade Movement calls to step up funding of adaptation measures based on long term planning, as well as to provide greater attention to adaptation-mitigation linkages and co-benefits such as land use or water management practices. This must become a top priority when remodeling the international climate finance architecture.

Making climate finance work for agriculture

While the agriculture sector faces growing climate-related challenges, the relative share of finance targeting agriculture has steadily declined in the past years, accounting only for 26 percent of global climate finance flows¹³.

Pursuing a sustainable and climate resilient production system requires farmers to embark on a challenging journey with no guarantee of short-term benefits. Producers can become agents of change and support a low carbon transition - provided they are adequately supported during this transition process. This means they must be in a financial position that enables them to scale up their investments into training and sustainable practices, balance out financial risks, diversify crops, introduce relevant technology, efficient irrigation, and conservation methods.

It is furthermore critical to support farmers in their energy transition, for instance through supporting targeted investments in installation of solar panels, wind turbines, and providing technical expertise on energy efficiency. This could be about upgrading equipment, waste reduction, support for renewable energy community projects, or producing alternative fuels, such as biogas or biofuels out of agriculture waste.

The Fair Trade Movement calls on policy-makers, donors and businesses to:

- Provide greater and more targeted support for smallholders, knowing the extremely small percentage of climate financing that reaches small-scale farmers and the structural barriers they still face.
- To recognise that smallholders are stewards of the land and to set up appropriate climate-finance mechanisms to support them and their producer organisations in their transition to agroecology.

- To step up funding of adaptation measures based on long term plannings, as well as provide greater attention to adaptation-mitigation linkages and co-benefits.
- To support farmers in their energy transition.
- To ensure meaningful and effective farmer participation in the processes related to the development and implementation of the Paris Agreement, including nationally determined contributions and national adaptation plans and in the discussions on the new collective quantified goal (NCQG) that shall be set before 2025.

B. Making the case for accessible and inclusive climate finance tools

Access to high-quality, affordable and long-term financing from both official and private sources is not only critical for climate mitigation and adaptation but also for fostering inclusive progress in lower income countries.

Smallholders produce one third of the world's food and up to 70 percent of the food in low and middle-income countries¹⁴, yet they are still to be truly included in the climate finance architecture, be it in the design process or as part of the finance recipients. In 2020 the International Fund for Agricultural Development (IFAD) reported that less than [2 percent of climate finance goes to smallholders](#), while family farming emits less greenhouse gas emissions than conventional large plantations¹⁵.

Women smallholder farmers are particularly affected by inequality even though they produce 50 to 80 percent of the world's food¹⁶. In most countries, the share of female smallholders who can access credit is 5 to 10 percent lower than that of male smallholders¹⁷. Improving the resilience of small-scale producers to climate change implies that climate finance adopts a right-based approach and is geared towards the agents of change – especially women and young people.

Important structural barriers for smallholders remain in place, as demonstrated in a producer survey by the Fairtrade Producer Network for Latin America and the Caribbean (CLAC).

Among the identified barriers are logistic issues, access to information, and limited access to warranties. They also face **regulatory barriers** to access financing, including high interest rates and a lack of collateral rates, inadequate legal frameworks, and complex loans as well as **trade barriers** that increase their transaction costs, such as non-tariff barriers, lack of access to market, and unfair competition.

Many of these identified barriers, especially the regulatory ones, impose compliance costs that generate perverse incentives for small producers which, in turn, have a counterproductive effect on both their livelihood and nature preservation.

Barriers for access climate finance: evidence from Latin America¹⁸

Producers and their organisations access funds in different ways. Producer organisations for instance, are used to receiving trade loans that enable essential operations like payment advances to producers. Individual farmers, on the other side, either access finance via their organisations - when possible-, or in the form of microcredits. Such financials are mostly used in pre-harvest and post-harvest activities. [Recent studies](#) argue that due to market power disparities, the cost of climate actions are higher than its economic benefits.

In Latin America, microcredits are the main source of finance for smallholder farmers, nonetheless it is important to remember that conventional microcredit lines are not always tied to climate goals, and that there are contrasted views on the topic: while some producers are glad to access loans with very low interest rates, others are already very indebted. In the cocoa sector for example, micro-credit financing seems to be cost-effective, only if the price of cocoa paid to the producer is increased by 30 percent. The payment of a fair price is thus key to ensure the investments needed to finance the agroecological transition.

Figures show that only 11 percent of all Green Climate Fund (GCF) approved projects have a funding volume of less than US\$10 million; with grants (11 percent), concessional loans (5 percent), and climate investing funds (6 percent) making up a smaller percentage. Nearly 86 percent of the small farmers are facing barriers to obtaining credits or loans, while access to grants, at least in Latin America, is very low compared to the urgency small producers are facing.

Fair Trade actors have explored other financial instruments like weather-indexed crop insurance or payment for ecosystem services (PES). So far, these tools appear to be very expensive and neither adapted to smallholder contexts nor to short-term action required to make these instruments functional. Fair Trade stakeholders have prototyped climate insurance alternatives in coffee landscapes of Indonesia, Colombia and Guatemala. So far the results are promising, but more analysis is required to define fair cost structures that can shift more power back to farmers and enable scale.

The Fair Trade Movement calls upon private and public climate finance providers to address identified gaps that hinder smallholders from benefiting from climate finance by:

- In the wake of the Bridgetown Agenda, developing financial products and services that are tailored to the needs of small-scale farmers. This includes flexible repayment terms, lower interest rates, and simplified application processes designed to address specific challenges, such as insurances and lack of collateral.
- Targeting farmer organisations as direct recipients of grants, specifically the grant portion of the Green Climate Fund.
- Building more effective bridges between climate and conventional agricultural finance tools available to smallholders to multiply their cross-benefits.
- Providing training and technical assistance to support the adoption of climate resilient practices and/or technologies (e.g., weather monitoring systems, renewable energies technologies, training on sustainable land management practices).
- Including advisory services on business planning, marketing, and financial management.
- Establishing strong and inclusive partnerships and means for concrete collaboration with local organisations, governments and other relevant stakeholders to ensure that climate finance fits local needs and is delivered where it is most needed, in a way that leverages local knowledge and expertise.
- Endorsing a decision-making model that truly gives space to local actors in designing, prioritising, implementing and monitoring efficient climate finance tools that reflect regional and/or sectorial needs.

C. The importance of an inclusive Loss and Damage Fund

Where climate change has inevitable adverse impacts, beyond the adaptive capacity of countries, communities, and ecosystems, loss and damage mechanisms have to intervene.

Between 2008 and 2018, the agriculture sector in low-income countries (LIC) and lower-middle-income countries (LMIC) suffered 82 percent of all economic damage and losses caused by medium to large-scale disasters, although not responsible for the climate crisis¹⁹.

COP27 closed with an agreement to provide loss and damage funding for vulnerable countries²⁰. A ‘transitional committee’ has to make recommendations on how to operationalise it. The Fair Trade Movement believes it is crucial to focus on the fast and efficient establishment of a loss and damage fund instead of continuous talks about potential mosaic solutions.

Farmers' know-how and traditional techniques are key elements in the conception and implementation of programs for adaptation and mitigation. They are also at the forefront in the event of a climatic catastrophe, and mobilising them can reduce social distress and hunger in extreme situations. Nonetheless, income generated via their Fair Trade activities is not enough to cover losses or repair damaged ecosystems.

The Loss and Damage Fund must support the most vulnerable countries and communities. The Fair Trade Movement calls for:

- Civil society organisations to be able to apply for funding, allowing the loss and damage fund to reach communities and people often overlooked by governmental authorities, such as informal workers or unregistered people, with a balanced representation of women and young people.
- The fund to be structured into a “disaster response window” (e.g., for storms, heavy rainfalls), a “slow-onset window” (e.g., for sea level rise) and a “micro/small-grant window”. The latter shall support the release of different funding volumes to allow various kinds of organisations to apply and achieve the key goal of channeling finance to smallholder farmers and vulnerable communities.
- The application procedure to be easy and fast to allow organisations to channel funding to the people affected by an extreme weather event, including direct access for sub-national actors with less administrative capacity.





3. The enabling environment

If the climate emergency is to be tackled successfully, it must be understood within the complexity of a multi-crisis context and take into consideration the different dynamics at play. Climate finance plays an important role but isn't a magic wand. The Fair Trade Movement calls for a multi-dimensional approach that is needed to fully understand, prevent, and cope with the consequences of the climate crisis we're facing.

A. Recommendations on the Sharm el-Sheikh joint work on the implementation of climate action on agriculture and food security

As recognised by parties and observers during the Bonn Climate Change Conference (SB58) in June 2023²¹, COP28 must address the **operationalisation of the Sharm el-Sheikh joint work on implementation of climate action on agriculture and food security** (SSJW). This is crucial to support coordinated action on all aspects of agriculture under the convention, and incorporate food systems in national climate, biodiversity and adaptation frameworks (NAPs²², NDCs²³, NBSAPs²⁴). It is also essential to align resources with the UN Food Systems Coordination Hub, the Committee on World Food Security, with the realisation of the right to food as a primary objective.

Acknowledging the need for context-specific solutions and the diversity of farming systems, **farmers' participation in this process, and especially smallholders, is instrumental** to identify solutions that are locally relevant and in line with their priorities. In this context, recognizing the specific challenges faced by women is a key to address power imbalances emerging from gender patterns and truly achieve inclusiveness.



Agriculture, forestry, resources management, and local governments: they have to use an integrated approach to combat climate change. Because these ministries only look at their mandate, their vision alone. The missions should involve each and every sector of the ministries. Integrated approach, from top to bottom so that altogether they could have interesting agroforestry programs.

Johnstone Sapulani, Sukambizi Association Trust (tea, Malawi)

Ambitious climate goals require inclusive processes. Voices from frontline communities such as local rural communities, producers, and farmers led organisations, from countries strongly affected by climate change, should be better included in processes related to climate and agriculture that will directly affect them.

Farmers' expertise and traditional knowledge are key elements in the design and implementation of adaptation and mitigation measures that are scalable and easily accessible. To ensure fast and effective adoption and boost farmer-driven solutions as well as farmer-to-farmer knowledge sharing, the online portal²⁵ should recognise the value of farmers' practical experiences, promote the pooling of information and highlight case studies for better dissemination.

In line with the exchange of relevant knowledge, a higher priority needs to be placed **on improving the data available on the climate impact of the agriculture sector and the positive contribution smallholders can have in mitigation**. In the context of carbon markets for example, governments need to ensure that smallholders are fairly compensated for their actions in reducing emissions as well as for providing data in a transparent way.

The Fair Trade Movement would like to emphasise again that:

- Farmers' voices must be central to structure UNFCCC related processes affecting them. Their participation is instrumental in raising global climate ambitions for their sector, unleashing the great potential that agriculture and its people have in the fight against climate change, and in supporting the world's farmers to adapt to its ongoing impacts.
- There is no one size fits all approach - a holistic approach to agriculture and food systems is needed. Recognition must be given to sustainable farming systems, and the different environmental, economic, and social dimensions in agriculture and food systems by following the principles of agroecology.
- Governments need to ensure that farmers are fairly compensated for data collected on farms and that the use of such data is transparent and appropriate, for the benefit of farmers and stakeholders involved in their transition towards agroecology.
- Research, innovation, adaptation, and mitigation measures should reflect local and national circumstances, integrate farmers' expertise as well as local and traditional knowledge, be easily accessible to farmers, pragmatic, and scalable to ensure fast and effective adoption as well as boost farmer-driven solutions.

B. Embrace the concept of agroecology

The agricultural sector is unique in that it both contributes to and is affected by the global climate and biodiversity crisis. Conventional agricultural practices are contributing to the acceleration of extreme climatic events, which in turn seriously impact production and harvests. Yet, sustainable farming activities also offer a variety of solutions to limit these crises in terms of biodiversity preservation and carbon storage²⁶.



Sustainable agriculture practices are the only solution: protect our soil, manage our soil in a good way, and another issue is the water. The next war will be the water. We need to minimise the use of underground water and better manage water from rainfalls. We need to protect our forest and wild animals and especially the pollinisers.

Bhalerikant Pati, The Creative Fabrics (cotton, India)

It is time to phase out agricultural practices based on fossil-fuels, pesticides and deforestation. In a context of global soil depletion, the challenge is to restore soil fertility. Organic farming and agroforestry are part of the solution to put an end to the land-clearing incentives and to reduce the dependency on pesticides. However, high financial and technical investments are necessary to transform production methods (e.g., purchase of equipment and seedlings, compost-making, equipment, labour etc).

These expenses are unaffordable for producers due to the deregulation of market prices and the unfair sharing of value and power within agricultural chains. Small-scale producers often live below the poverty line while agri-food companies keep on generating positive economic and financial results worth billions of euros²⁷.

The Fair Trade Movement calls on COP28 parties and on governments to:

- Acknowledge the direct links between current patterns of global trade of agricultural commodities and deterioration of the environment as well as poverty, human and labour rights.
- Recognise that agroecology can make a critical contribution to climate mitigation, adaptation and resilience.
- Design and finance support measures (technical assistance, transfer of technologies, access to finance) for smallholder farmers to transition to agroecology.
- Include value distribution at the centre of political discussions to ensure a favourable framework for the development of agro-ecological practices.

C. Support to sustainable business models and practices as the new norm

While access to adequate climate finance is vital for smallholder farmers and climate vulnerable communities across the world, it remains far from being a silver bullet for them to build decent livelihoods in the reality of a changing climate.

A survey conducted by the International Labour Organization (ILO)²⁸ found that more than a third of producers accepted top-down requests that were worth less than the cost of production. They are de facto less well-positioned to comply with or to invest in climate resilient practices. Yet, there is a growing expectation that they implement sustainable and net-zero production patterns at their own costs.

This needs to change by building the business case for sustainably produced goods, including through an equitable distribution of wealth embedded in fair business practices such as long-term sourcing relations between buyers and suppliers, and pricing mechanisms that allow to cover the costs of sustainable production, living income for farmers and living wages for workers. Companies need to live up to their responsibility.

If richer countries are serious about their climate ambitions, a precondition is to recognise that business practices must be redefined to centre around both socio-economic and environmental sustainability. Fortunately, such business models and good practices don't need to be invented from scratch: tried and tested models already exist and various alternative, ethical and Fair Trade businesses and approaches have proven their models to be good for people and planet, particularly resistant to external crises, while remaining economically viable. Such models must receive increased consideration and support to become the new norm, if we are to ensure a transition of our world economy that is truly green and just at the same time.

The Fair Trade Movement calls on COP28 parties and on governments and international organisations to:

- Acknowledge that environmental protection and climate mitigation go hand in hand with poverty eradication and act accordingly.
- Work out a global framework for binding and enforceable due diligence legislation on human rights and the environment covering small and large companies alike and their entire supply chains.
- Regulate companies to review their sourcing and purchasing practices to ensure their prices reflect the costs of sustainable production.

- Develop a stronger, sector-specific regulatory environment prohibiting unfair trading practices.
- Design and develop public policy tools to promote alternative business models such as Fair Trade enterprises, and innovative taxation mechanisms as a direct incentive for improving commercial and agricultural practices to benefit people and planet before increasing profits - e.g., feebates (bonus-malus), which are a budget neutral tool to support deforestation-free products²⁹.

D. Transformative supply chain laws and trade patterns for lasting climate action

The Fair Trade Movement stands for a revised political and regulatory agenda that breaks down silos and efficiently links efforts to facilitate decarbonisation with a global fight against inequalities, based on the principles of fairness and social justice. In that sense, we call upon policymakers for greater alignment between environmental targets, and production, consumption, and trade related policies and agreements.

Effective supply chain laws

The past years have witnessed a burst of sustainability-related regulatory processes initiated by different markets, with the EU taking a leading position among them. While the Fair Trade Movement strongly encourages the emergence of ambitious supply chain laws, it remains critical to ensure they are transformational and do not lead to unintended consequences. Smallholder farmers face increased sustainability requirements to maintain access to global markets while often being offered no financial support or appropriate incentives to meet these requirements.



For COP28, we need what is said to be applied. We are ready to do our bits because, yes, it is a vital issue for the whole world. As agricultural cooperatives, we do our bit everyday through agroforestry, community forests, and good agricultural and social practices. But what are the companies going to do? Is the will there for everyone to do their bit? It is a question of will, on both sides.

M. Adama, M. Teme, Ecojad, Ivory Coast.

Considering the issue at stake, ensuring a just transition towards sustainable and climate resilient farming practices is vital for any new supply chain rules to be efficient, while securing the livelihoods of smallholders and local communities.

Agricultural production, sustainable economic growth and the fight against the twin climate and biodiversity crises should not be seen as mutually exclusive but rather supportive objectives. This must be reflected accordingly in climate related legislation.

The Fair Trade Movement urges policymakers to:

- Recognise the rights and roles of smallholders and local communities as a vital part of the systemic solution to tackle climate change, and thus, shape intersectoral policies and regulatory frameworks that address climate related challenges, while also considering their societal and economic impacts, in line with the Fair Trade Movements' plea for [a Global Green Deal](#).
- Integrate mechanisms that ensure a fair share of costs of compliance, as well as binding provisions on responsible purchasing practices and living income, living wage, as a prerequisite to tackle barriers faced by suppliers to produce sustainably.
- Conduct impact assessments when designing new climate and supply chains laws, to evaluate compliance challenges for economic actors that are in the weakest position and put in place fit for purpose accompanying measures.
- Ensure efficient dialogue between relevant stakeholders in both the development and implementation phase of new legislation, as well as reinforced partnerships that address the weaknesses of current production and trading systems in an inclusive manner.
- Strengthen alignment between unilateral supply chains measures and policies related to trade, food security, governance and climate.

The central role of trade policies

There is no climate justice without trade justice and vice-versa. The international trade and climate interface stands out for its complexity. While international trade can foster economic growth, it can equally undermine human rights and labour rights, as well as climate change related goals and ambitions.

The Paris Agreement is at the core of obligations at state level and permeates the responsibilities that states take on their own trade policy. However, in its current configuration, trade typically tends to reinforce power asymmetries within global supply chains while failing to deliver on the reduction of greenhouse gas emissions and the preservation of biodiversity.

The Fair Trade Movement reiterates its call to shift from an economic system that thrives on the exploitation of our planet's resources and people, to one that has the capacity to become an effective tool to ensure a fair and ecological transition. Tackling the climate emergency requires an approach that establishes shared responsibility among various actors, and different tools at each level. Obligations in this regard must not only be set at supply chain level, but also at state level, with binding and enforceable commitments.

Trade agreement models must be rethought, so that sustainable development can be concretely and equally achieved by all parties involved. Trade policies should be revised and aligned with existing, new and upcoming unilateral sustainability regulations (e.g., on Critical Raw Materials, [Corporate Due Diligence](#), the fight against [Deforestation](#), Carbon Border Adjustment Mechanism, etc) and become mindful of root causes of sustainability issues as well as potential externalities and spillover effects.

Policymakers must shift the perspective from a solely top-down approach to one based on a real dialogue among politicians, suppliers, buyers, and producers affected by price fluctuations³⁰.

To elevate the fight against climate change through trade, the Fair Trade Movement calls upon COP28 parties and governments to:

- Include the Paris Agreement as an essential clause in all trade agreements and effectively strengthen and implement sustainable development commitments.
- Mainstream trade and sustainable development (TSD) chapters as the new norm and effectively implement the latter through binding country-by-country roadmaps for new and existing trade agreements.
- Rebuild trade policies to ensure they foster the transition towards more resilient and climate-neutral supply chains and protect human rights while creating equal benefits for all trading partners.
- Ensure trade, economic and investment agreements are embedded within SDG-aligned policies.
- Ensure transparency in current and future negotiation processes and support the participation, through consultative processes, of farmers, farm workers, garment workers, and indigenous people - whose lives are strongly shaped by trade agreements.





4. Conclusion

In a nutshell, what is the Fair Trade Movement stocktake on our climate crisis?

Going back to the Secretary General Guterres' recent statements, “the era of global warming has ended, the era of global boiling has arrived”. The recent revision of planetary boundaries presented by the Stockholm Resilience Centre shown how six out of the nine boundaries have been crossed³¹. On top of that, the 2023 UN report³² is received with disappointment, as many of the SDGs are failing to progress, have stagnated or are regressing. Our general conclusion is one of frustration in regards to our global political leaders.

We urge global leaders at COP28 to accelerate climate actions, to honour their commitments, to be bold, and work together in transforming our current economic system into one that is fair and prosperous for all.



What we want for the future is to be able to stand the test of time while respecting the rights of the environment and human beings.

M. Adama M. Teme, Ecojad, Ivory Coast

The Fair Trade Movement is shouldering its share of responsibility to build a better tomorrow with determination, but we know that the future of our planet and our civilisation depends on all of us. Let's place people at the centre, let's accelerate inclusive and participative solutions. Let's be fair with our climate promises!

Footnotes

1. [The 'era of Global boiling' is here, Un chief warns](#)
2. [Fair Trade & Climate Change](#)
3. [Climate Change and Fairtrade Tea – Factsheet](#)
4. France published a [roadmap](#) setting out the way forward up until mid-2024, alongside [a chair's summary](#)
5. [Rich nations to meet overdue \\$100 billion climate pledge this year | Reuters](#)
6. At the 15th Conference of Parties (COP15) in 2009, developed countries committed to a collective goal of mobilising USD 100 billion per year by 2020 for climate action in developing countries. The goal was formalised at COP16 in Cancun, and at COP21 in Paris, it was reiterated and extended to 2025 (OCDE). As part of the Paris Agreement, it was agreed that prior to 2025 a new collective quantified goal (NCQG) should be set from a floor of US\$100 billion per year, considering the needs and priorities of developing countries.
7. According to a [report](#) commissioned by the U.K. and Egypt ahead of last years' COP27
8. According to Institute for Climate Economics
9. [Paris climate finance summit delivers momentum but few results – POLITICO](#)
10. As outlined in the [four priorities](#) of the Sustainable Development Solutions Network (SDSN)
11. [New sources of public climate finance: discussion paper on global and EU taxes, levies and carbon pricing](#)
12. [Adaptation Gap Report 2022 | UNEP - UN Environment Programme](#)
13. [Updated Submission by the Food and Agriculture Organization of the United Nations \(FAO\) to the United Nations Framework Convention on Climate Change \(UNFCCC\) In relation to the First Global Stocktake, 2023](#)
14. [Small family farmers produce a third of the world's food \(fao.org\)](#)
15. [A rough estimate of the proportion of global emissions from agriculture due to smallholders, CGIAR, 2017.](#)
16. [UNDP Gender, Climate change and Food Security. 2016](#)
17. [UNDP Gender, Climate change and Food Security. 2016](#)
18. Survey on climate finance by The Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC) in 15 countries, with 57 small-scale producers organisations, 2022
19. FAO, The state of food and agriculture 2021, Chapter 1, Agrifood systems' resilience: what it is.
20. [COP27 Reaches Breakthrough Agreement on New “Loss and Damage” Fund for Vulnerable Countries | UNFCCC](#)
21. The 58th sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation (SB 58) of the United Nations Framework Convention on Climate Change (UNFCCC)

22. National Adaptation Plans
23. National Determined Contributions
24. National Biodiversity Strategies and Action Plans
25. The Sharm el Sheikh online portal was requested by SBSTA and SBI at COP27 for sharing information submitted by Parties and observer organisations on projects, initiatives and policies for increasing opportunities for implementation of climate action to address issues related to agriculture and food security. Observer organisations were asked to submit their view on it.
26. *“Land degradation in agriculture systems can be addressed through sustainable land management, with an ecological and socioeconomic focus, with co-benefits for climate change adaptation”*, IPCC Special Report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems, 2022
27. See for instance for cocoa (in French) : [Etude comparative de la répartition de la valeur au sein des filières européennes de cacao-chocolat, 2022](#)
28. ILO INWORK [INWORK Policy Brief No. 10: Purchasing practices and working conditions in global supply chains: Global Survey results \(ilo.org\)](#)
29. [A. Karsenty & S. Salau, “Fiscal incentives for improved forest management and deforestation-free agricultural commodities in Central and West Africa”, International Forestry Review, 2023](#)
30. [Un-doing eu trade agreements to re-build a fairer puzzle](#)
31. [Planetary Boundaries \(Stockholmresilience.org\)](#)
32. [The Sustainable Development Goals Report 2023: Special Edition](#)

Contacts:

Fair Trade Advocacy Office

Charlotte Vernier
Senior Policy & Project Coordinator
vernier@fairtrade-advocacy.org

WFTO Europe

Mikkel Kofod Nørgård
Regional Coordinator
coordination@wfto-europe.org

Fairtrade International

Sophie Aujean
Director Global Advocacy
s.aujean@fairtrade.net