

The Fair Trade Movement's contribution to the European Commission's call for evidence on the upcoming EU Quality Jobs Roadmap (Ref. Ares (2025)5927354)

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Embedding Fair Trade principles within the EU Quality Jobs Roadmap

Background

The purpose of the Quality Jobs Roadmap, as announced in the European Commission's Political Guidelines for 2024-2029, is to support fair wages, good working conditions, training, and fair job transitions for workers, notably by increasing collective bargaining coverage. Notably, self-employed persons are also within the scope.

Based on Article 153 of the Treaty on the Functioning of the European Union, the EU may adopt measures to encourage cooperation between Member States and minimum requirements in areas affecting job quality. A roadmap at the EU level would strengthen coordination and promote a more cohesive approach to employment and social policy, thereby helping to ensure that all Member States progress towards achieving quality jobs.

The Commission is keen to receive specific proposals from social partners on how to foster quality jobs in the EU. The Commission recommends focusing specifically on barriers hindering quality jobs that can be addressed at the EU level and welcomes suggestions for specific solutions, whether legislative or non-legislative.

The Fair Trade Movement's contribution

The Fair Trade Advocacy Office (FTAO), on behalf of the Fair Trade Movement, is focusing in this consultation response on recommendations for creating quality jobs in the textile and agricultural sectors.

The creation of quality jobs in the textile sector aligns with the 2022 EU Strategy for Sustainable and Circular Textiles, which sets out that by 2030, textile products placed on the EU market shall be produced in respect of social rights.¹ The focus of the FTAO's contribution is on how to ensure a fair and just transition for workers in the textile sector with decent working conditions, especially guaranteed living wages and living incomes.

¹ European Commission (2022). [EU Strategy for Sustainable and Circular Textiles](#).

The creation of quality jobs in the agricultural sector is also a priority set out in the Vision for Agriculture and Food, as almost 30 million people (15% of EU employment) perform work within the EU agri-food system.² In the Vision, the Commission has recognised the precarity of work conditions for farmers and agricultural workers and seeks to reignite the attractiveness of the sector. For the Fair Trade Movement, it is important that the Commission recognises that good quality jobs in the agricultural sector shall be achieved by measures that overall strengthen the EU agri-food systems, duly considering the external dimension of the EU agri-food system.

In the view of the Fair Trade Movement, a successful EU Quality Jobs Roadmap must include (not exhaustive):

- Promoting quality jobs equally inside and outside the EU
- Promotion of fair business models that create positive externalities on job quality
- Guarantee of living wages for workers and living incomes for farmers and self-employed persons
- Tackling unfair purchasing practices by strengthening the UTP Directive and by introducing a similar tool in the textile sector
- Communication on working conditions in the textile sector towards consumers
- Mandatory social criteria in public procurement

The Fair Trade Movement will discuss each in turn below.

Why promoting quality jobs inside and outside the EU matters

The EU agri-food system generated an added value of more than EUR 900 billion in 2022, employing around 30 million people, representing around 15% of total EU employment.³ It is concerning that young people express an interest in agricultural jobs but do not commit to them for various factors that include, prominently, uncertain income perspectives and difficult working conditions.⁴

In the EU, the garment industry is dominated by small and medium-sized enterprises (SMEs). The average size of a garment factory in Europe is likely to be smaller compared to Asia due to the focus on niche and high-quality products, which typically require a more artisanal and labour-intensive approach to production. The garment industry within the EU

² European Commission (2025). [Vision for Agriculture and Food](#).

³ Ibid.

⁴ Ibid.

is located throughout several important geographic clusters, and overall employs approximately 2.2 million workers.⁵ Women represent more than 70% of all employees.⁶

Creating quality jobs in the agricultural and textile sectors, specifically, is essential for the competitiveness and resilience of these key sectors.

It is essential that EU companies cannot continue exploitative working conditions outside the EU. There has been a “race to the bottom” in labour standards: suppliers compete by cutting costs to the bone in order to win contracts, leaving workers to pay the price. For instance, an ILO survey found that 52% of textile and clothing factories accepted orders below cost just to secure future business – a practice most common in the poorest countries where suppliers have the weakest bargaining power.⁷ If the rules are lax outside the EU, there is a risk that companies will go outside the EU, and EU producers will lose. The offshoring of production to low-wage locales has shrunk the EU’s textile sector, causing factory closures and job losses in Europe’s traditional garment hubs. If the EU unilaterally insists on “quality jobs” (with decent pay, safety, and rights) at home while tolerating exploitative conditions in supply chains abroad, companies will simply relocate operations to where labour is cheapest – undercutting European producers and eroding jobs in the EU.

A similar situation is experienced in the agricultural sector: Migrant workers in the EU report instances of very high-risk conditions—some forced to work up to 19-hour days, lack safe housing, and endure pesticide exposure without protective gear. At least one death resulted from heatstroke due to the denial of water during work in extreme temperatures.⁸ Women migrant agricultural workers often face pay gaps, in some regions earning up to 30 % less than men.⁹ The overwhelming bargaining power imbalance enables buyers to push costs down—forcing suppliers to cut wages or conditions, mirroring the same exploitative competition dynamics described in the textile sector.

This is why protecting quality jobs within Europe inherently depends on raising job quality outside Europe as well: without a level playing field, higher standards at home can lead to outsourcing rather than improved global conditions.

In the global textile sector, there are approximately 72 million people in the global garment workforce,¹⁰ of which an estimated 49 million are subcontracted home-based workers¹¹ and, additionally, approximately 250 million cotton smallholder farmers.¹²

⁵ European Commission (2021). [Textiles Ecosystem – TCLF \(Textiles, clothing, leather and footwear\) industries](#).

⁶ Ibid.

⁷ International Labour Organization (2017). [INWORK Issue Brief No. 10](#).

⁸ Oxfam (2024). [Millions of migrant farm workers exploited in Europe’s fields, says Oxfam](#).

⁹ Ibid.

¹⁰ Katalyst Initiative (2024). [Global Garment Workers Count: Estimating the Size & Composition of the Global Garment Workforce](#).

¹¹ International Labour Organization (2021). [Working from home: From invisibility to decent work](#).

¹² United Nations Industrial Development Organization (2023). [World Cotton Day 2023](#).

Estimates indicate there are around 500 million smallholder farmers worldwide, many of whom produce key crops imported into the EU, such as coffee, cocoa, bananas, and cotton.¹³ As of 2020, the EU counted approximately 9.1 million agricultural holdings, and 64% of these were small farms.¹⁴ Approximately 892 million people worked in the agricultural sector in 2022, representing around 26.2% of total global employment,¹⁵ with approximately 9.4 million people working in the agriculture, forestry, and fishing sector, which makes up 4.5% of total EU employment.¹⁶

Promoting quality jobs for them is also aligned with the European Commission's 2022 Decent Work Worldwide strategy, which affirms that the EU is committed to championing decent work "both at home and around the world".¹⁷

Further, it is in line with Article 3 of the Treaty on the European Union, which holds that in its relations with the wider world, the EU "shall uphold and promote its values and interests and contribute to the protection of its citizens" and contribute to "eradication of poverty and the protection of human rights".

Recommendation:

1. Ensure that measures adopted via the EU Quality Jobs Roadmap protect workers inside and outside the EU equally, which is essential for a holistic strategy that embeds Just Transition principles across EU policy. This entails that the EU Quality Jobs Roadmap should include an external dimension that would ensure that tools are applicable inside and outside the EU, regardless of where workers are located.

Promotion of fair business models, creating positive externalities on job quality

Mainstream, shareholder-driven business models are optimised towards short-term profits and shareholder returns, which generate negative externalities for labour. Under these conventional models, many businesses externalise the social costs of production onto workers and communities. This can be seen in unstable, low-quality jobs characterised by low pay, insecure or temporary contracts, unsafe working conditions, and little opportunity

¹³ World Economic Forum (2024). [Industry government collaboration on agritech can empower global agriculture](#).

¹⁴ European Commission (2023). [Small farms take centre stage in European push to bolster local food trade](#).

¹⁵ Food and Agriculture Organization of the United Nations (2024). [Employment indicators 2000-2022 \(October 2024 update\)](#).

¹⁶ European Commission (2023). *EU Reporter*. [Which EU regions rely heavily on agriculture?](#)

¹⁷ European Commission (2022). [Communication on decent work worldwide for a global just transition and sustainable recovery](#).

for advancement. Such business models are vulnerable to external and internal shocks and pose challenges for the resilience of the EU economy.

Fair business models stand in contrast to this: The International Fair Trade Charter lays out concrete features of fair business models that integrate social considerations into the core business model.¹⁸ That means that progress on the core mission equates to business success. Fair business models support higher job quality by redefining success beyond profit alone. Enterprises that pursue fair business models showcase lower reputational liabilities and face fewer hidden costs (e.g., turnover, lost know-how, supply disruption). In short, fair business models convert social investment into a competitive advantage: more resilient supply chains, reduced downtime, and enhanced brand trust, which support long-term competitiveness of the EU economy.

The EU's Social Economy Action Plan (2021) acknowledges that a “switch to a fair, sustainable and resilient economic model” is needed, especially after the COVID-19 pandemic.¹⁹ The EU can play a pivotal role in creating an enabling environment for Fair Trade enterprises, social enterprises, and other ethical businesses. For instance, the Social Economy Action Plan mentioned prior seeks to improve legal and funding conditions for social enterprises to start up, scale up and create jobs, sets out that the Commission can encourage Member States to adopt national social economy strategies, and encourages legal forms that recognise social enterprises, cooperatives, and other fair businesses, giving them formal visibility and support.

Recommendations:

- 2.** Update the 2009 Fair Trade Communication to address the need and identify concrete steps to promote fair business models, which are essential for quality jobs and long-term resilient supply chains.
- 3.** Ensure effective implementation of the Social Economy Action Plan, including by assigning a dedicated team for Social Economy in DG GROW and DG EMPL.
- 4.** Dedicate support mechanisms for SMEs to expand their business and scale up to social business models, which may have a perceived lower return on investment, but a higher one if social benefits and quality job creation are factored in.

Living wages for workers and living incomes for self-employed persons

It is the government's responsibility to make sure its citizens have the means to a decent living (as firmly rooted in the ICESCR, SDGs, and UDHR). To this end, most governments set

¹⁸ Fair Trade Advocacy Office (2018). [The International Fair Trade Charter](#).

¹⁹ European Commission (2021). [Social Economy Action Plan](#).

a minimum wage, but some in the EU do not, as wages are fully agreed in tripartite negotiations. The EU can take measures to ensure that companies operating in the EU work towards better wages, by setting “living wages” - rather than minimum wages - as the target. In 2024, the ILO agreed on a definition of “Living Wage”²⁰:

- the wage level that is necessary to afford a decent standard of living for workers and their families, taking into account the country's circumstances and calculated for the work performed during the normal hours of work;
- calculated in accordance with the ILO’s principles of estimating the living wage.²¹
- to be achieved through the wage-setting process in line with ILO principles on wage setting.

In the context of the latter, the ILO emphasises the importance of adequate minimum wages and collective bargaining.²²

In many agri-food supply chains— tea (Assam, India: 81% wage gap), coffee (Brazil: 40% gap), bananas (Côte d’Ivoire: 40%), and flowers (Ethiopia: 69%, Kenya: 48%)—wages are documented at 40–80% below living wage benchmarks. These wide gaps illustrate how agricultural workers similarly suffer from earnings that fail to meet basic needs, in some cases severely.²³ Millions of garment workers around the world are not paid enough to cover their basic necessities, earning on average 45% less than they need to survive.²⁴ As wages for production only constitute a fraction of the price of a garment on average, if all the costs for paying a living wage were passed on to consumers, this would lead to only an estimated 1% cost increase for consumers.²⁵

In order to guarantee living wages, the EU must take action to guarantee freedom of association. The EU’s 2022 Directive on adequate minimum wages observes that strong collective bargaining (especially at the sector level) is essential for achieving adequate minimum wage protection.²⁶ Yet, collective bargaining is not assured despite the Directive even inside the EU: In Poland, for instance, only 10% of workers are covered by collective bargaining agreements.²⁷ Globally, workers in 75 % of countries are denied the right to organise and 80 % face restrictions on collective bargaining. In 2025, Europe recorded its worst score since the Global Rights Index began.²⁸ Investigations have found that the worst-paying employers often coincide with those violating union rights.²⁹ The Business and

²⁰ International Labour Organization (2024). [Meeting of experts on wage policies, including living wages](#).

²¹ International Labour Organization (n.d.) [ILO principles on estimating a living wage](#).

²² Ibid.

²³ Fairtrade International (2025). [Fairtrade Risk Map](#).

²⁴ WageIndicator (2022). [Industry Wage Gap Metric for 2022](#).

²⁵ Deloitte (2017). *Oxfam Australia*. [A Living Wage in Australia’s Clothing Supply Chain](#).

²⁶ European Commission (2022). Directive (EU) 2022/2041 on adequate minimum wages in the European Union.

²⁷ Worker-participation.eu (n.d.). [National Industrial Relations. Countries. Poland](#).

²⁸ ITUC (2025). [2025 ITUC Global Rights Index](#).

²⁹ IndustriAll (2022). [Crisis of low wages impoverishes Asian and African textile and garment workers](#).

Human Rights Resource Centre documented that during the COVID-19 pandemic, 48% of respondents working in Europe-bound garment supply chains in Bulgaria, Romania and Türkiye saw a rise in intimidation and harassment of trade union members.³⁰ Workers may thus avoid exposing themselves to reprisals from their employer for unionisation. Without widespread collective bargaining, garment sector wages remain depressed and fail to provide a dignified living for workers. The EU Quality Jobs Roadmap should address this challenge for realising living wages, and specify an expectation that companies communicate their commitment to freedom of association in the workplace and to unions operating in their sector. Employers can reassure workers that they have nothing to fear if they unionise and let trade unions know that their rights will be respected, by communicating their commitment to freedom of association and social dialogue, including collective bargaining.

Beyond living wages, the EU Quality Jobs Roadmap should also give consideration to “Living Incomes”. While a wage is the payment a worker receives from their employer for a particular amount of time worked, an income is earned by an independent worker through the sale of their goods or services and is often composed of different sources. There is a serious living income gap (gap between actual income and that needed to cover expenses) for more than 50% of cocoa and tea farmers in World Bank datasets, who would need 200% of their current income to reach living income benchmarks.³¹

Meaningfully incorporating “living incomes” would ensure that all people providing work are covered, such as smallholder farmers. Including self-employed persons is essential as they are mentioned in the call for evidence. This is further grounded in the authoritative interpretation of General Comment No. 23 (2016) on the *Right to just and favourable conditions of work (article 7 of the International Covenant on Economic, Social and Cultural Rights)*, which clarifies that the right to enjoy just and favourable conditions of work includes self-employed persons.

Improving wages and incomes to match living wage and income benchmarks will improve the lives of millions of people, and it will allow all companies, including SMEs, to advance in their path towards sustainability and long-term resilience. Progress has been made at the EU member state level, including by the governments of Germany and the Netherlands, which have advocated to include Living Wages and Living Incomes in EU policies concerning sustainable value chains.³² Finally, implementing Living Wages and Living Incomes will also help companies in their due diligence obligations as per the Corporate Sustainability Due Diligence Directive, which includes both as protected rights in its Annex.

³⁰ Business and Human Rights Resource Centre (2022). [Unpicked: Fashion & Freedom of Association](#).

³¹ Waarts et al. (2019). *Wageningen University*. [A living income for smallholder commodity farmers and protected forests and biodiversity: how can the private and public sectors contribute?](#)

³² BMZ and Minbuza (2021). [Joint Declaration by the Minister for Foreign Trade and Development Cooperation of the Netherlands and the Federal Minister for Economic Cooperation and Development of the Federal Republic of Germany regarding Living Wage and Living Income](#).

To expand on policy interventions, the Fair Trade Movement in 2022 published guidance for public policy makers on “The Role of Governments in Enabling Living Income Global Agricultural Value Chains”³³ and Fairtrade International, in 2024, published a “Public Policy Roadmap on Living Income and Living Wage in Global Agricultural Supply Chains”.³⁴ This provides an extensive list of recommendations, a selection of which will be reprinted here.

Recommendations:

5. The EU Quality Jobs Roadmap should firmly integrate the concepts of living wages and living incomes to ensure alignment with ILO standards.
6. Provide guidance on living wages and living incomes through the implementation guidelines that will be issued in relation to the Corporate Sustainability Due Diligence Directive (CSDDD).
7. Encourage nomination of a living income and living wage focal point in responsible ministries of each EU member state, to facilitate coordination on the topic.
8. Strengthen the rule of law on collective bargaining and wage-setting, including guaranteeing the right to freedom of association and tackling anti-union bias across all EU member states.
9. Set expectations towards companies to inform workers and trade unions of their commitment to freedom of association and collective bargaining, so as to promote social dialogue and wage improvement.
10. Exempt from competition law agreements between companies on sustainability-related objectives, including collective action on living incomes and wages.
11. Leverage the VAT reform to make products made without respect for labour rights more expensive and lower the price of products whose production does not entail negative social costs, while keeping the overall price level constant.

Tackling unfair purchasing practices

Unequal power dynamics within global supply chains significantly contribute to human rights violations at the factory or producer level. Responsible (or fair) purchasing practices, on the other hand, are those practices that do not negatively impact human rights nor the environment in any part of the value chain. They are an effective tool to address the root causes of human rights violations and environmental degradation. Beyond improving working conditions, responsible purchasing practices also have a positive impact on

³³ Fair Trade Advocacy Office and Sustainable Food Lab (2022). [The Role of Governments in Enabling Living Income in Global Agriculture Value Chains](#).

³⁴ Fairtrade International (2024). [Public Policy Roadmap on Living Income and Living Wage in Global Agricultural Supply Chains](#).

companies implementing them: This is recognised, for instance, by the Netherlands Enterprise Agency, who find positive impacts on long-term reliable partnerships, increased supply chain resilience, access to investment, innovation and ability to retain employees.³⁵ However, companies that have implemented responsible purchasing practices have faced hurdles in the form of unfair competition from companies that do not. A report by the University of Portsmouth identifies that there are opportunities for more direct public policy support to help ‘level the playing field’ for SMEs and social enterprises in the textile sector.³⁶

To provide such a level playing field, the Commission already enacted Directive (EU) 2019/633 on unfair trading practices in the agricultural and food supply chain. While this is an important milestone in the fight against unfair trading practices in the agri-food supply chain, diverse actors are calling for a revision to improve this tool. Changes should involve, primarily, expanding the list of banned practices, especially to include a ban on selling below the cost of (sustainable) production. Similarly, the scope of the Directive, as it currently stands, does not grant direct protection to farmers, in or outside the EU, where, as stated above, farmers and agricultural workers do face unfair trading practices and would benefit from being directly under the scope of this Directive. The latter was especially flagged by several Members of the European Parliament in a letter to Commissioner Hansen.³⁷

Drawing inspiration from the 2019/633 Directive, in 2023, the previous European Parliament called in an INI on the Commission to “*provide an assessment of how best to minimise these (unfair trading) practices, including through legislation taking inspiration and learning from the experience of the implementation of Directive (EU) 2019/6332 on unfair trading practices in the agricultural and food supply chain.*”³⁸

The prevalence of harmful purchasing practices in the garment sector was noted by the Commission as early as 2013.³⁹ One major way these dynamics manifest is through harmful purchasing practices by buyers, which can create economic pressure that undermines suppliers’ ability to respect the human rights of workers, including subcontracted and home-based workers. Examples of such practices include short lead times, order cancellations, late payments, unilateral contract changes, and prices below the cost of sustainable production, among others.

³⁵ Netherlands Enterprise Agency. (2025). [Responsible procurement and supplier engagement for social sustainability](#).

³⁶ Fair Trade Advocacy Office and University of Portsmouth (2023). [Fair Purchasing Practices and Barriers in EU SME Garment Supply Chains](#).

³⁷ Fair Trade Advocacy Office. (2025) *LinkedIn*. Subject: [International aspects of Unfair Trading Practices Directive in the agri-food supply chain \(2019/633\)](#).

³⁸ European Parliament (2023). [Report on an EU Strategy for Sustainable and Circular Textiles](#).

³⁹ European Commission (2013). [Green Paper on Unfair Trading Practices in the Business-to-business Food and Non-food Supply Chain in Europe](#).

The ILO documented a statistical correlation between unfair purchasing practices and the right to fair remuneration:⁴⁰

- Expecting full flexibility from suppliers leads to an average –5.95% change in hourly wages for workers.
- Providing very inaccurate technical specifications leads to an average –21.91% change in hourly wages for workers.
- Buyers agreeing to pay at least production costs leads to a 9.74% change in hourly wages for workers, while imposing costs below the cost of production leads to an average –11.33% change in hourly wages for workers.

This is a pervasive problem outside the EU as well as inside, as documented for instance by the FTAO and Clean Clothes Campaign.⁴¹ This research is based on interviews with suppliers, experts and trade union representatives in six EU member states – Bulgaria, Romania, Croatia, the Czech Republic, Italy and Germany. 99.5% of the companies active in the EU's textile ecosystem are small and medium-sized enterprises⁴², including most suppliers, who can therefore not easily absorb price surges or losses stemming from unfair purchasing practices.

Recommendations:

- 12.** Evaluate the 2019/633 Directive as to expand the list of banned practices, particularly to include a ban on selling below the cost of production. Likewise, amend the scope to provide direct protection to EU and non-EU farmers and agricultural workers.
- 13.** As unfair purchasing practices are a driver of labour rights abuses in the garment sector, the EU Quality Jobs Roadmap should set out an assessment of how best to tackle them, as instructed by the European Parliament. The Commission should explore legislative interventions that would level the playing field for actors implementing responsible purchasing practices by addressing unfair competition from those who do not.
- 14.** Any action taken on unfair purchasing practices should also ensure effective enforcement and provide detailed guidance on how brands and retailers can ensure and uphold freedom of association, collective bargaining, and living wages throughout their supply chains.

⁴⁰ International Labour Organization (2017). [INWORK Issue Brief No. 10](#).

⁴¹ Fair Trade Advocacy Office and Clean Clothes Campaign (2023). [Fast fashion purchasing practices in the EU](#).

⁴² European Commission (2021). [Textiles Ecosystem – TCLF \(Textiles, clothing, leather and footwear\) industries](#).

Communication on working conditions in the textile sector towards consumers

Consumers have raised time and again that they want to buy clothes that are made in fair working conditions, yet only 1% of brands disclose the number of garment workers paid a living wage.⁴³

- In a 2020 survey of the German environmental agency, 91% of respondents considered compliance with social standards in the manufacture of products to be “very” or “rather” important.⁴⁴
- In the Flash Eurobarometer (2019), more than 80% of the respondents agreed (totally or tended to) that ‘[t]here is not enough information available about [...] working conditions linked to clothing’.⁴⁵
- A 2020 McKinsey study showed that 66% of consumers said they would stop or significantly reduce shopping at a brand if they found it was not treating its employees or suppliers’ employees fairly.⁴⁶

It is possible to communicate on working conditions: For example, Gabriela Hearst includes social info on her label via QR codes.⁴⁷ Similarly, Christy Dawn includes a cost breakdown of the garments.⁴⁸

Recommendation:

- 15.** Textile product information for consumers currently does not provide information on working conditions, which is clearly demanded by consumers who are aware of pervasive abuses in the garment industry. As part of the EU Quality Jobs Roadmap, the Commission should consider integrating information on working conditions in the Digital Product Passport and the Textile Labelling Revision, which are currently under development.

Mandatory social criteria in public procurement

The EU spends around 14% of its GDP on public procurement.⁴⁹ How this money is spent profoundly shapes the social, environmental, and economic fabric of the Union. The current legislative revision offers a historic opportunity to address the persistent problems of race-

⁴³ Fashion Revolution (2023). [Fashion Transparency Index](#).

⁴⁴ Umweltbundesamt (2020). [Erweiterte Integration sozialer Aspekte im Umweltzeichen Blauer Engel](#).

⁴⁵ European Commission (2022). [Preparatory study to gather evidence on ways to empower consumers to play an active role in the green transition](#).

⁴⁶ McKinsey (2020). [Survey: Consumer sentiment on sustainability in fashion](#).

⁴⁷ Gabriela Hearst (2025). [Digital identity and Garment Journey](#).

⁴⁸ Jeans and a Teacup (2025). [A Review of The Dawn Dress from Christy Dawn](#).

⁴⁹ European Commission (n.d). [Public procurement](#).

to-the-bottom bidding, social dumping, and underuse of procurement as a strategic lever for sustainable development.

The FTAO acknowledges the adoption of the European Parliament's Committee on Internal Market and Consumer Protection (IMCO) Own-Initiative Report (INI), setting its expectations ahead of the revision of the EU's rules on public procurement, expected by the end of 2026.⁵⁰ Currently, the Directive lacks adherence to ILO standards, including ILO Convention No. 94⁵¹, and does not officially align with internationally recognised frameworks for responsible business conduct, such as the UN Guiding Principles on Business and Human Rights (UNGPs)⁵² and the OECD Guidelines for Multinational Enterprises.⁵³

In particular, the FTAO calls for rejecting the "lowest price" criterion in favour of the "most economically advantageous tender" (MEAT) criteria, which would mark a clear step forward in ensuring that EU public funds are used to incentivise the use of qualitative criteria such as social considerations – including working conditions – in awarding public contracts. However, it is important to underline the need for greater ambition from the European Commission in its forthcoming proposals. The INI report still relies too heavily on voluntary guidelines, which have repeatedly proven insufficient. Any future reforms must be firmly grounded in internationally recognised standards and contribute meaningfully to increasing transparency and the protection of human rights throughout global supply chains, in line with the Sustainable Development Goals (SDGs).

Recommendations:

- 16.** Ensure that the Most Economically Advantageous Tender (MEAT) is the default award criterion and is implemented instead of the "lowest price option" in the forthcoming Public Procurement revision.
- 17.** Mandatory social criteria in the forthcoming Public Procurement revision should include collective bargaining and align with ILO conventions.
- 18.** Include references to trustworthy and sustainable labels and certifications, and train contracting authorities to make better use of non-price criteria, both of which are crucial for aligning procurement practices with sustainability and fairness goals.

The FTAO stands ready to engage further with the Commission on the implementation of these recommendations.

⁵⁰ European Parliament Committee on the Internal Market and Consumer Protection (2025). [2024/2103\(INI\) Draft report](#).

⁵¹ International Labour Organization (1949). [C094 - Labour Clauses \(Public Contracts\) Convention, 1949 \(No. 94\)](#).

⁵² United Nations (2011). [Guiding Principles on Business and Human Rights](#).

⁵³ OECD (2023). [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#).

About the Fair Trade Advocacy Office (FTAO):



The Fair Trade Advocacy Office (FTAO) leads political advocacy for the Fair Trade Movement at the EU level. It has the purpose of promoting justice, equity and sustainable development at the heart of trade structures and practices so that everyone, through their work, can maintain a decent and dignified livelihood and develop their full human potential.

The FTAO is a joint initiative of Fairtrade International, the World Fair Trade Organization, and the World Fair Trade Organization-Europe.

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