Annual Report 2023-2024



CONTENTS

Foreword
 Our Topics & Projects6 Corporate Sustainability Due Diligence Directive (CSDDD) Deforestation-Free Supply Chains EU 2024-2029 Legislature EU Competition Law and Cooperation Agreements for Sustainability EU Policies for Fair and Sustainable Textile Supply Chains EU Regulation Prohibiting Products made with Forced Labour from Entering the EU Market Unfair Trading Practices Directive (Evaluation) COP28 and the Fair Trade Movement Global Green Deal Local Fair Trade SchoolFood4Change Young Fair Trade Advocates
 Our Events & Key Milestones
Our Donors20• European Climate Foundation• Laudes Foundation• Fondation Charles Léopold Mayer• Brot für die Welt• European Commission• Humanity United Action
Our Team 21
Finances

FOREWORD

As the curtains draw on the legislative stage of the European Parliament, the Fair Trade Advocacy Office (FTAO) presents its 2023-2024 annual report. With the EU legislature coming to an end, 2023 has been an intense year in the EU agenda, with many important pieces of legislation being adopted.

It has been a year in which we have harvested the results of many years of constant work to push for fairer purchasing practices and EU policies sensitive to the needs and rights of smallholder farmers, workers, and artisans. The FTAO might be only responsible for a small drop in the ocean of contributions of committed like-minded partners, but I dare to assert that without our contribution over the years, some of the policies that have been adopted in 2023 and 2024 would have been significantly different, significantly less fair.

This year we have worked hand in hand with global partners. We have welcomed producer representatives and young farmers whom we thank for their great effort to come to Brussels. Their convincing testimonies have contributed to move the hearts, minds and pens of policy-makers. Milestones were also reached in our collaborations with embassies, exemplified by the Embassy of Brazil to the EU hosting our annual European Parliament Fair Trade Breakfast and the signing of a Framework of Cooperation with the Sri Lanka Export Development Board. We can also celebrate that we have facilitated meetings between youngsters and policy-makers at a higher level than ever before. There has also been bitterness in 2023. The EU policies adopted this year are far from being unproblematic, and a lot remains to be done to push for a fair implementation. The deceleration of the sustainability agenda has also deeply impacted our work, in particular with the stagnation of the Farm to Fork Strategy. When reading some of the ambitious action points with which the European Commission started this legislature, we can't deny that some of the most transformative ones have not materialised.

The situation of farmers in the supply chain has brought the EU's attention to their legitimate call to enjoy fair incomes. The common challenges of European and non-European farmers are today more evident than ever before. This puts the Fair Trade Movement and the FTAO at the centre of the debate over the future of agriculture and of food systems - over the future of the livelihoods of those who feed us and, as a consequence, over the future of our own subsistence.

We started 2024 with an energetic call for a Global Green Deal. A strategy that doesn't only maintain the commitment of the Green Deal but addresses some of its shortcomings by adopting a more open approach that establishes true partnerships with global stakeholders.

> Jorge Conesa Executive Director Fair Trade Advocacy Office

OUR TOPICS & PROJECTS

Corporate Sustainability Due Diligence Directive (CSDDD)

On 14 December 2023, a significant milestone was reached when a political agreement was successfully concluded on the Corporate Sustainability Due Diligence Directive (CSDDD). This moment marked 12 years since the approval of the voluntary guidelines for responsible businesses, the UN Guiding Principles on Business and Human Rights (UNGPs). The Fair Trade Advocacy Office welcomed this as a positive moment, even if the deal fell short in many aspects. Despite last-minute drawbacks and unilateral changes to the agreed compromise, the Committee of the Permanent Representatives of the Governments of the Member States to the European Union (COREPER) finally agreed to give the green light to the CSDDD on 15th March 2024. The Fair Trade Advocacy Office regrets that the Directive as it stands now <u>is a diluted compromise</u> that did not honour the political agreement reached in December. Nonetheless, the FTAO believes that this outcome is better than having no agreement.

In the next month, the FTAO will continue to focus on advocacy encouraging the European Parliament to support the compromise. Once the directive is finally adopted, the FTAO will continue its advocacy effort in the implementation phase of this Directive, making sure it contributes to living wages and incomes for workers and farmers by advocating for good guidelines from the EC, effective accompanying measures from the EU and member states and an ambitions transposition into national legislation.





Deforestation-free supply chains

After the adoption of the EU Deforestation Regulation (EUDR) in May 2023, the FTAO, jointly with Fair Trade producer networks and local CSO partners, has been working to ensure effective implementation and enforcement of this Regulation.

In May 2023, the FTAO has sent <u>a letter</u>, jointly with 50+ CSOs, to the Belgian Presidency of the Amsterdam Declaration Partnership (ADP) to reiterate that ADP countries must support a smallholder-inclusive implementation of the EUDR.

In June 2023, the FTAO together with 150+ CSOs called for proper and consistent implementation of the EUDR through a joint statement.

The FTAO kept working to support producers and organisations with the implementation of this Regulation. In September 2023, the FTAO published an Internal Handbook for producer networks and organisations on the EU Deforestation Regulation. This key document was circulated internally among the Fair Trade Movement contacts and serves as a guideline to help producers navigate this Regulation. In October 2023, the FTAO organised the event "Small-scale farmers: big challenges – ensuring the EU Deforestation Regulation is an opportunity for all", jointly with GIZ, Rainforest Alliance, Solidaridad Network, Fern NGO, Tropenbos International and Fairtrade International. Producers from Uganda, Ghana, and Ivory Coast participated in the event as well, representing their industry and sharing their concerns and needs as regards the EUDR.

Throughout 2024, the FTAO is working to ensure its commitment towards supporting an effective and smallholder-inclusive implementation of the EUDR in the various coalitions we are part of. This includes working on accompanying measures of the regulation to facilitate implementation per stakeholder group (i.e. private sector, EUMS, EU delegations and governments of partner countries). We hope to continue working with the smallholder coalition (Fern NGO, Solidaridad, and Tropenbos International) to monitor the EC's Comprehensive Strategic Framework on partnerships and other tools produced by the EU on the law's implementation.



EU 2024-2029 legislature

In its 2024 – 2029 legislature, the European Parliament must contribute to steer the EU in these difficult social, economic, and environmental times. The Fair Trade Movement expects the EU to take concrete measures to foster a global just transition which favours the interests of the people and the planet and sets fairness as the condition for all trade relations. The Fair Trade Movement outlined <u>a series of policy proposals</u> that candidates for the 2024 EU election and the new European Commission should commit to putting in place if they are elected.

EU competition law and cooperation agreements for sustainability

In June 2023 the European Commission (EC) published the <u>Guidelines on the applicability of</u> <u>Article 101 of the Treaty on the Functioning of</u> <u>the European Union to horizontal co-operation</u> <u>agreements</u>, which, as opposed to the previous guidelines, includes a section on sustainability agreements including references to Living Income as well as Living Wages and aspects of social sustainability. This represents a <u>key mile-</u> <u>stone</u> for the FTAO, which, since 2014, has been questioning the extent to which competition law is a deterrent to private sector sustainability initiatives. The new Guidelines have the potential to foster tangible contributions to sustainability worldwide and the well-being of millions. The presence of examples in the guidelines under the titles "Fair Tropical Fruit" and "Fair Clothing" leave no doubts of the value provided by the Fair Trade Movement, and its partners during the past years.

EU policies for fair and sustainable textile supply chains

Throughout 2023, the FTAO has been advocating for the CSDDD to properly mandate companies to address the impacts of their purchasing practices as well as highlighting the additional need of a directive that bans Unfair Trading Practices (UTPs) in the garment sector. In April 2023, the FTAO released a <u>report</u> based on field research undertaken by Clean Clothes Campaign (CCC) Europe that demonstrates the existence of UTPs in the European apparel industry.

In May 2023, the FTAO released <u>a second, complementary report</u> that looks at best practices of fair and responsible purchasing practices put in place by European fashion Small and Medium Sized Enterprises (SMEs), and their barriers to remaining competitive in the current fast fashion industry.

The FTAO <u>reached a significant milestone</u> when, in June 2023, the European Parliament voted on an <u>Own-Initiative Procedure (INI) in</u> <u>response to the Textile Strategy</u>, also calling for the European Commission to present legislation to minimise Unfair Trading Practices (UTPs) in the garment sector.

In July 2023, the FTAO released the White Pa-

per <u>"Fair Thread: policy recommendations for</u> <u>a sustainable textile industry</u>". This White Paper, jointly written by the Fair Trade Advocacy Office and Fashion Revolution, including a Needs Analysis of sustainable SMEs done by Bocconi University, aims to tackle inequalities stemming from the current fast fashion model. It highlights 19 policy recommendations urgently needed to improve the livelihoods of millions of workers and farmers in the value chains of EU textile companies and shows how these policy changes can also be good for SMEs.

Moreover, the FTAO called on the EU to include social aspects in textile labels. In September 2023, the EU was starting the process towards a revision of its rules on product labelling: what information should be included on garments and textiles. To improve working conditions for all workers in the supply chain, it is important to provide more information on the social side of the garment sector to consumers, workers, and other stakeholders. The FTAO presented <u>its position</u> to the European Commission through a call for evidence in September 2023 and a consultation in April 2024.

EU regulation prohibiting products made with forced labour from entering the EU market

In 2023 and the beginning of 2024, the FTAO has been working on ensuring that the EU Regulation prohibiting products made with forced labour from entering the EU market addressed root causes of forced labour and contributed to its eradication globally, taking into account the rights and needs of affected people. The FTAO, together with WFTO and Fairtrade International, <u>outlined the fundamental points</u> that needed to be included in the Regulation. During the negotiations of this Regulation, the FTAO, together with other Civil Society Organisations (CSOs), has been actively calling on the EU to <u>support this Regulation</u> and <u>include effective remediation measures</u>.

In March 2024, the Forced Labour Regulation (FLR) was adopted, marking a key milestone for the FTAO. In the upcoming months, the FTAO's work will focus on analysing the possible implications of this Regulation for smallholders and producers, as well as other Fair Trade actors, and ensuring a correct and effective implementation.



Unfair Trading Practices Directive (Evaluation)

The Unfair Trading Practices Directive entered into force in 2019. It is designed to protect sellers (such as farmers) from unfair trading practices from their buyers. The EC is expected to issue an Evaluation of the Directive by the end of 2025. In November 2023, the EC launched its 'Call for Evidence' and the FTAO's <u>response</u> focused mainly on the need to strengthen the directive by making sure that non-EU farmers are given the correct knowledge and other tools necessary to file a complaint. In April 2024, the FTAO organised an <u>event</u> in the European Parliament with S&D and the Greens/EFA to discuss the Spanish law of banning the sale of products below the cost of production, and whether this could be incorporated in the Evaluation of the directive. We will also produce a <u>study</u>, in collaboration with an external consultant, to gather on-the-ground evidence on the implementation of the UTP directive outside the EU.

Contraction of the

COP28 and the Fair Trade Movement

The COP28 Climate Change Conference was held in Dubai, United Arab Emirates from 30 November to 13 December 2023. COP28 was particularly momentous as it marked the conclusion of the first 'global stocktake' of the world's efforts to address climate change under the Paris Agreement.

In the run-up to the conference, Fair Trade organisations reiterated their urgent call on governments, businesses, and world leaders, to scale up joint efforts and take bold, immediate, meaningful, and inclusive climate action before it is too late. In the publication titled <u>Global boiling is here and it's unfair: The Fair Trade</u> <u>Movement calls for immediate action</u>, the Fair Trade Advocacy Office, Fairtrade International, and the World Fair Trade Organization (WFTO) have intensified their joint demand for financial pledges to support countries and communities most exposed to climate risks are met.

Global Green Deal

On 19 June 2023, the first day of the 2023 Fair Trade International Symposium, the Fair Trade Advocacy Office, Fairtrade International and the World Fair Trade Organization (WFTO) made public their plea for transforming the existing European Green Deal (EGD) into a Global Green Deal. While the EGD was initially received as a groundbreaking policy framework, it is necessary to include the views and potential negative impact for the Global South and create a collective international endeavour towards global sustainability. There are too many negative social and environmental externalities - spillovers - towards the Global South that prevent the EGD to be recognised as a legitimate EU Sustainable Development Agenda. There should be an equal footing in terms of adequate policies, objectives, rights, and responsibilities between European and non-European countries, hence

the proposed new approach towards a Global Green Deal to intertwine the global dimension with the current European policies.

The Fair Trade Advocacy Office proposed to mainstream Fair Trade approaches and Fair Trade Enterprises in the Global Green Deal to facilitate the achievement of the 2030 SD Agenda.

On 29 February 2024, the FTAO, in partnership with SOLIDAR, Fairtrade International and the World Fair Trade Organization, published a Call To Action containing five groups of policy measures to achieve a Global Green Deal that would have justice and cooperation embedded into its DNA.

During 2024, the FTAO will actively advocate for a Global Green Deal and multiply exchanges with EU decision-makers and stakeholders before and after the EU election.



Local Fair Trade

Throughout 2023, the FTAO has organised a series of <u>4 webinars</u> with the aim to explore the existing experience, good practices, and challenges faced by actors working on existing local sustainable and Fair Trade initiatives. The webinars are built upon the findings of research conducted in 2022 by the FTAO on existing local Fair Trade initiatives. It explored different approaches that were adopted across the world.

The titles of the webinars are the following, and the recordings are still available:

SchoolFood4Change

SchoolFood4Change (SF4C) is a Horizon2020 project with a consortium of 43 European partners advocating for a new food culture from school canteens to a broader society. Starting in January 2022, SF4C has expanded beyond its partner cities, with 20 new cities worldwide joining in exchange programs to tackle challenges and share best practices in school meals.

The project's <u>Replication Cities</u> not only learn from SF4C's triple approach but also contribute insights, enriching the project's knowledge base. This collaborative effort was highlighted during the second SchoolFood4Change General Assembly in October 2023, where Replication 1. What are good practices and difficulties of local Fair Trade in « Northern » and « Southern » contexts?

2. Mapping and strategising around unintended impacts of local Fair Trade

3. From international fair and sustainable trade to local: a way to decolonise the fair and sustainable trade movement?

4. What is the role of "short" supply chains in local sustainable and fair trade? What can local production learn from the Fair Trade Movement?

Cities deepened their involvement and inspired project cities with their experiences and best practices, enhancing SF4C's ongoing initiatives.

In February 2024, the consortium released its first policy brief "Tackling Inequality through healthy and sustainable school food", emphasising the necessity for cohesive policies addressing the school food system from social justice, health, education and agricultural viewpoints. Read more <u>here</u>.

In 2024, Replication Cities will participate in webinars, in-person meetings, and technical exchanges with their twin cities to develop Action Plans by the project's end.



Young Fair Trade Advocates

The <u>Young Fair Trade Advocates</u> (YFTAs) are a diverse group of young Europeans working to promote a fair, ecological and fair transition.

In May 2023, the YFTAs published <u>"Un-doing</u> <u>EU Trade Agreements to re-build a fairer puz-</u> <u>zle</u>", a document of "lessons learned" based on dialogues with speakers from the Global South about EU Trade Agreements, that the YFTAs have facilitated.

Between September and October 2023, the YF-TAs hosted <u>a series of webinars</u> with different EU influencers: EU Activists, EU Policy Makers, EU NGOs, and EU Journalists. Through these roundtables, young EU citizens have learned from EU influencers about effective advocacy strategies, building alliances and utilising social media to advance their agendas.

Moreover, the YFTAs have participated in different international events, making their voices heard and advocating for a more sustainable world. In particular, the YFTAs participated in the <u>Fair Trade Town Conference</u>, and the <u>World</u> <u>Food Forum</u>.

The YFTAs have launched a new website to provide updates on their latest endeavours, including the #BiteSizedChange social media campaign. The latter aims to reignite awareness about the importance and urgency of initiatives to achieve sustainable food systems globally. More information may be found <u>here</u>.



OUR EVENTS & KEY MILESTONES

Framework of cooperation between Sri Lankan export development board and international Fair Trade networks

The Fair Trade Advocacy Office <u>is pleased to announce the signing of a groundbreaking Framework of Cooperation Agreement with the Sri</u> <u>Lankan Export Development Board</u>, Fairtrade Network of Asia and Pacific Producers (NAPP), and the World Fair Trade Organization Asia (WFTO Asia). This historic collaboration aims to strengthen Fair Trade practices, foster sustainable development, and promote ethical trade in the region. The signing ceremony, that took place on 10 January 2024, marks a significant milestone in the commitment to advancing Fair Trade Principles and supporting the economic empowerment of producers and workers. The partnership brings together key stakeholders in the Fair Trade ecosystem, uniting their efforts to create a more equitable and sustainable trading environment.





The Fair Trade Advocacy Marathon & Breakfast 2023

The Fair Trade Advocacy Office welcomed the Fair Trade Movement from 23 to 25 October 2023 in Brussels for the Fair Trade Advocacy Marathon. The Marathon included external advocacy and brainstorming, coordination and capacity-building activities.

The high-profile event of this gathering was the European Parliament Fair Trade Breakfast, organised annually by the FTAO. This year, the

Fair Trade International Symposium 2023

FTAO took part in the 2023 Fair Trade International Symposium (FTIS) that took place in Leeds on 19-21 June. The Fair Trade International Symposium is the leading global gathering for scholars, practitioners, and policymakers working on Fair Trade. FTAO, as a member of the FTIS steering group, participated through a keynote on the proposal for a Global Green Deal in the opening plenary session and through the Fair Trade Breakfast was hosted by MEP Bernd Lange and the Embassy of Brazil, with Ambassador Pedro Miguel da Costa e Silva. This event has brought together the Fair Trade Movement, MEPs, embassies, CSO partners, and colleagues from international organisations to discuss concrete ways of ensuring a fair and ecological transition and supporting smallholders all over the world.

organisation of a thematic session on local Fair Trade. The proposal for a Global Green Deal did receive much support, especially from non-EU attendees. FTAO also contributed to an article on the Global Green Deal (<u>"Fair Trade principles</u> <u>can transform the European Green Deal: moving towards a Global Green Deal"</u>) in the Journal of Fair Trade which was issued in the wake of the FTIS 2023.



A JUST TRANSITION FOR ALL: WHY THE EUROPEAN GREEN DEAL NEEDS TO GO GLOBAL

On 23 January 2024, SOLIDAR and the FTAO organised an event to discuss the need for a Global Green Deal with a group of EU decision-makers (including EC officials and one MEP). Participants assessed the pros and cons of transforming the European Green Deal into a Global Green Deal to foster a Just Transition worldwide. The event, which was hosted by the European Economic and Social Committee, concluded a long process of consultations with diverse civil society, business, and trade union organisations to agree upon a range of policy demands to the EU decision-makers of the next legislative period (2024-29).

OUR DONORS

Fair Trade Advocacy Office would like to thank all the organisations and institutions that financially support the work of the FTAO.



ECF supports the FTAO's work on trade policy and the engagement with youth through the Young Fair Trade Advocates program.



Laudes Foundation supports FTAO in our work for a fair and sustainable textile sector, the coordination of the textile coalition as well as in our work for an effective CSDD Directive.

The Fondation Charles Léopold Mayer pour le Progrès humain supports the FTAO through core funding dedicated to enhancing the FTAO's capabilities to promote EU policies that are favourable for Fair Trade.



Brot für die Welt supports the FTAO in our work for an effective CSDD Directive that brings positive outcomes for smallholder farmers around the world.



The European Commission, through a Framework Partnership Agreement with Fairtrade International, supports FTAO's work in empowering Producer Organisations' advocacy capacities at EU level. The European Commission, through a Horizon 2020 project, supports FTAO and consortium partners' work in Consumers' Understanding of Eating Sustainably; and School Food for Change. The European Commission supports the consortium Small but perfect under the EASM program (finalised in mid 2023).

HUMANITY UNITED ACTION

Humanity United Action support the FTAO's work on the fight against unfair trading practices in the agri-food sector, notably by impacting on the review of the EU UTP Directive.



OUR TEAM

Managing Director – Jorge Conesa Strategic Director – Eric Ponthieu International and Institutional Relations Manager – Virginia Enssle Policy & Project Coordinator – Charlotte Vernier (until December 2023) Senior Policy & Project Officer – May Hylander Senior Policy & Project Officer – Paola Plaku Junior Advocacy Officer – Julia Wild (until January 2024) Junior Advocacy Officer – Viola Carboni Junior Advocacy Officer – Simon Guerin Sanz Junior Communications Officer – Lisa Grötzner Policy & Project Advisor (Consultant) – Elena Lunder Business & Human Rights Consultant – Tara Scally Finance Manager – Anne Revell Junior Finance Manager – Inesa Mghebrishvili

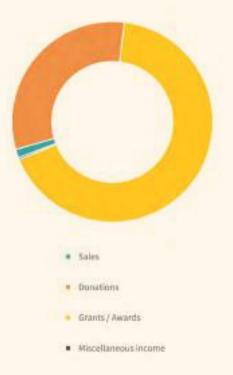
FINANCES

Fair Trade Advocacy Office would like to thank all the organisations and institutions that financially support our work.

2023

Income

Sales	€9,000
Donations	€ 202,905
Grants / Awards	€ 433,256
Miscellaneous Income	€1,895
Total	€ 647,056



Expenditure

Staff	€ 428,953
Office	€44,413
Fundraising	€0
Activity	€180,524
Other	€ 538
Total	€ 654,428



- Activity
- Other





CONTACT US

The Fair Trade Advocacy Office Village Partenaire – Bureau 1 Rue Fernand Bernierstraat 15 1060 – Brussels – Belgium

+32 (0) 2 543 19 23
info@fairtrade-advocacy.org
ftaobrussels
@FairTradeFTAO
/company/fair-trade-advocacy-offic
Subscribe to our online newsletter

www.fairtrade-advocacy.org

The contents of this report are the sole responsibility of the FTAO and can under no circumstances be regarded as reflecting the position of the donors that co-finance our work.