

From local to EU level

Scaling Up Fair Trade in Europe



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1

1. Introduction

Why this research?

This research wants to contribute to the Fair Trade movement's advocacy work by providing European Union (EU) policy makers with recommendations on how they can further help Local Authorities (LAs) promote sustainable development through local Fair Trade initiatives. In particular, the research targets the EU policy makers of the European Commission (EC) term 2019-2024.

In order to develop the EU policy recommendations, the research identified the current challenges and opportunities for LAs to adopt resolutions on fair procurement, support local Fair Trade projects, cooperate with Fair Trade actors, perform information and education work on Fair Trade, as well as to support or implement any other local Fair Trade initiatives. It also explored how social innovation in the field of Fair Trade can be boosted by helping LAs develop, test, implement and upscale innovative Fair Trade projects.

Why now?

The [UN 2030 Agenda and the Sustainable Development Goals \(SDGs\)](#) is a key occasion to facilitate a dialogue between LAs, civil society organisations and the actors of global value chains, from producers to consumers, on how to promote sustainable and inclusive growth, as well as to reduce the negative impact of EU production and consumption patterns globally. The [EU Public Procurement Directive](#), the [new European Consensus on Development](#) and the [EU Trade Strategy](#) also encourage committed LAs and existing networks of LAs, such as the [Fair Trade Town movement](#), to take further steps towards sustainable consumption and production patterns and lifestyles.

In view of the upcoming EU elections, this research wants to provide the next EU Commission (2019-2022) with specific policy recommendations on how to support LAs' work on Fair Trade and help them upscale successful local

initiatives in this field. In particular, it wants to make sure that the commitments and the work of the current European Commission (EC) on Fair Trade, in particular the new [EU Cities for Fair and Ethical Trade Award](#) will continue and will further unlock the potential of LAs in the future.

What are the specific research objectives?

The specific objective of this research is to develop recommendations on how the EU could use its policies (on public procurement, development, trade and awareness raising) to help LAs achieve the Sustainable Development Goals (SDGs) through local Fair Trade initiatives.

What are the research methods?

The data has been gathered through:

- The participation in the [EU Cities for Fair and Ethical Trade Award Ceremony](#) (Brussels, 27 June 2018)
- The workshops of the [EU Conference 'From Local to EU level: Scaling Up Fair Trade in Europe'](#) (Brussels, 27-28 June 2018)
- The workshops of the [12th International Fair Trade Towns Conference](#) (Madrid, 19-27 October 2018)
- The consultation of 9 representatives of Local Authorities across the EU (through interviews) and the Fair Trade movement (through webinars and email exchanges).

More detail available in Annex 1.

Who should use this publication?

This publication intends to provide EU policy makers with background information and recommendations on how they could support LAs work on Fair Trade as a way to help the EU achieve sustainable development. It also provides LAs and civil society organisations with ideas on how they could promote Fair Trade in their communities.

2. Background information

What is the Fair Trade Advocacy Office?

The Fair Trade Advocacy Office (FTAO) speaks out on behalf of the Fair Trade movement for Fair Trade and Trade Justice with the aim to improve the livelihoods of marginalised producers and workers in the South. The FTAO is a joint initiative of Fairtrade International, World Fair Trade Organisation and the World Fair Trade Organization - Europe.

What is Fair Trade?

The Fair Trade movement is made up of individuals, organisations and networks that share a common vision of a world in which justice, equity and sustainable develop

ment are 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 (International Fair Trade Charter, 2018).

The main global networks of the Fair Trade movement agreed the following definition of Fair Trade in 2001:

“Fair Trade is a trading partnership, based on dialogue, transparency and respect that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South.”



Source: International Fair Trade Charter
www.fair-trade.website

What is social innovation?

Social innovation is not an easy concept to define, but is broadly understood to mean new ideas meeting social needs and creating new relationships or collaboration.

The Young Foundation identified six stages that take innovative ideas to create systemic change. These stages provide a framework for thinking about the different kinds of support that LAs, as innovators need in the social innovation process.

1. Prompts

This stage involves diagnosing the problem and framing the question in such a way that the root causes of the problem, not just its symptoms, will be tackled. This means going beyond symptoms to identify the causes of a particular problem.

2. Proposals and ideas

This is the stage of the idea generation.

3. Prototyping and pilots

This is where ideas get tested in practice. This can be done through simply trying things out, or through more formal pilot projects.

4. Sustaining

This is when the idea becomes everyday practice. It involves sharpening ideas and identifying income streams to ensure the long term financial sustainability of

initiatives. In the public sector this means identifying budgets, teams and other resources such as legislation.

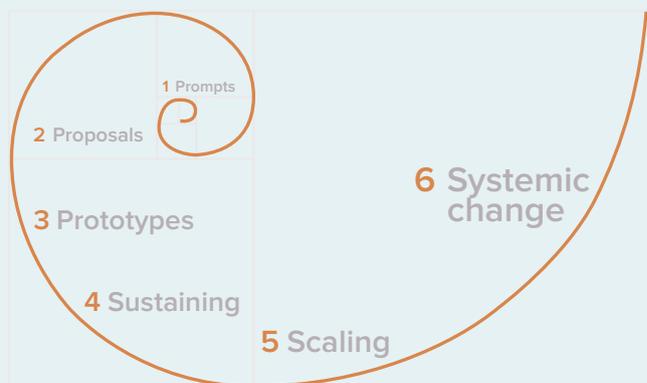
5. Scaling

At this stage there are a range of strategies for growing and spreading an innovation. Emulation and inspiration also play a critical role in spreading an idea or practice.

6. Systemic change

This is the ultimate goal of social innovation. Systemic change usually involves the interaction of many elements: social movements, business models, laws and regulations, data and infrastructures, and entirely new ways of thinking and doing. Systemic change generally involves new frameworks or architectures made up of many smaller innovations. Systemic innovation commonly involves changes in the public sector, private sector, grant economy and household sector.

*Source: The Open Book of Social Innovation
(Young Foundation, 2010)*



3. Main research findings

How has the engagement of LAs committed to Fair Trade evolved?

LAs have always played an important role within the Fair Trade movement. However, since 2000, their commitments have been better highlighted and strengthened through the [Fair Trade Town Campaign](#), which is currently involving more than 2,000 LAs in about 30 countries across the globe.

Fair Trade Towns is a grassroots campaign, which began in the small town of Garstang in the UK. It was initiated by the local community, which engaged with LAs to promote the purchase and consumption of Fair Trade products in the town. The success of some early campaigns convinced the Fairtrade Foundation to award the town with 'Fairtrade status'. This in turn led to the development of some objective criteria to promote the upscale of the initiative in other towns, cities etc.

There are five core criterias to become a Fair Trade Town:

1. The local council needs to pass a resolution supporting Fair Trade;
2. A local Fair Trade steering committee needs to be set up, and meet regularly in order to increase awareness of and demand for Fair Trade products through education, outreach and events;
3. A range of Fair Trade products need to be available in local stores, cafes and other venues;
4. Fair Trade products need to be used by a number of local organisations such as schools, hospitals and offices;
5. The local campaign needs to attract media attention and visible public support.



Map of the current Fair Trade Towns – Source: <http://www.fairtradetowns.org/>

A new narrative

In the last twenty years, the narrative around the need for Fair Trade has evolved a great deal, in order to take into account new global challenges and policy priorities.

The Fair Trade agenda has created linkages with other movements, particularly within the EU; promoting sustainable development, in particular sustainable consumption and production patterns. Some examples are represented by:

- The organic movement
- The slow food and slow fashion movement
- The fashion revolution movement
- The solidarity economy movement
- The circular economy movement

The aim has been to better link Fair Trade with the local policy agenda, as well as to promote not only sustainable consumption and production patterns, but also more sustainable lifestyles in general.

Challenges for LAs promoting Fair Trade

The challenges of promoting Fair Trade at a local level can vary according to the size and the geographical location of LAs. If big cities can find it difficult to engage citizens in their Fair Trade projects, small towns can find it harder to have the human and financial resources to manage the initiatives. As for the geographical location, if in Eastern Europe it can be challenging to tackle the low level of awareness of citizens and businesses on Fair Trade. In the North of Europe, where the Fair Trade Town campaign is more advanced, there is the need to provide Fair Trade supporters with new challenges on how to further promote Fair Trade at local level.

However, there are some common barriers and challenges that the research identified:

• 1. The need to build a new narrative

LAs as well as Civil Society Organisations (CSOs) are struggling to articulate a new and shared narrative that makes the link between Fair Trade and topics that are now high in the local agenda. Some of the common questions that are asked concerns the following point:

- How is Fair Trade connected with other movements promoting local and organic production?

- How is Fair Trade promoting employment and economic growth in the EU?
- How is Fair Trade connected with the solidarity economy and the circular economy principles?
- How is Fair Trade part of the solution to the current migration crises?

There is an intellectual gap amongst LAs, CSOs and other stakeholders in some of these areas, which needs to be tackled. LAs need support in building a new narrative on sustainable consumption and production patterns, which takes into account the perspective of all relevant stakeholders and communication experts, as well as the policy challenges that are now high on the agenda of policy makers.

Building a new narrative is important. Not only to tackle the aforementioned intellectual gap, but also for LAs to provide their citizens with reasons why promoting Fair Trade means promoting their interests as well.

• 2. Lack of public debates and opportunities to exchange knowledge on Fair Trade

LAs also feel that there is a lack of public debate and exchange among LAs and with CSOs, companies, trade unions and citizens on about how Fair Trade contributes to sustainable development. In addition, opportunities to exchange on innovative projects that are developed, tested and implemented at a local level are limited.

• 3. Lack of networking opportunities

Opportunities for LAs to partner with like-minded LAs or other relevant stakeholders, within and outside the EU are also limited. This challenge can prevent some projects from being upscaled and/ or replicated in other communities. It can also be challenging to create lasting city-to-city partnerships, in particular with LAs from the Global South.

• 4. Need for more funding opportunities

Funding opportunities to cooperate and exchange with other stakeholders, as well as to develop, test and implement innovative Fair Trade projects are also considered

limited. At EU level, the main opportunities are offered by the EU Development Education and Awareness Raising Programme, but the lack of internal human resources that can manage EU project also prevent some LAs from using this instrument.

• 5. Lack of capacity

Many LAs also lack capacity to include Fair Trade in their policies, as well as to promote and/or implement local Fair Trade initiatives. Support is particularly needed in the following areas:

- Communication capacity LAs do not always have the capacity to develop engaging messages to promote alternative consumption patterns, or effective ways to involve their citizens with public debates on Fair Trade and sustainable development.
- Project management The management of projects, especially those funded by the EU, also require specific expertise that is not always available at local level. This prevents some LAs from applying to relevant funding opportunities.
- Engagement of the private sector LAs do not always have the capacity to link the Fair Trade agenda with the local economic growth agenda and show how local businesses can benefit from a partnership with Fair Trade.
- Engagement of citizens Engaging citizens, particularly youth, in public debate on alternative consumption models continue to present several challenges for LAs, in particular in Eastern European countries, where the level of public awareness on these topics is lower. LAs lack press and communication expertise, as well as the capacity to make the most of new communications tools, such as social media.
- Engagement of the Global South LAs face difficulties in creating linkages with LAs Fair Trade actors and other relevant stakeholders from the Global South.

• 6. Lack of Fair Trade supply

In some countries and regions, the lack of Fair Trade actors and suppliers also challenge LAs that want to buy Fair Trade products and raise public awareness on the topic.

Promising approaches

- This research also shows innovative local solutions to cope with the challenges and obstacles outlined above.

Good practices have been gathered primarily in four main areas:

- Public Procurement (chapter 3.1)
- Development Cooperation (chapter 3.2)
- Trade (chapter 3.3)
- Fair Trade specific initiatives (chapter 4)

Concluding remarks: the role of the EU

The main challenges facing LAs in promoting Fair Trade are linked to a lack of internal capacity and financial resources. The EU can play a key role in providing LAs with the necessary support. In particular, the EU can allow LAs to learn from each other through knowledge sharing and networking opportunities. It can also help them develop, test, implement and upscale Fair Trade projects and initiatives by providing them with expertise and financial resources.

In particular, the EU can:

- Enable LAs to use the [2014 Public Procurement Directive](#) to the fullest, by building LAs capacity to include Fair Trade considerations in their calls for tenders and providing a space (online and off-line) to help the public procurers' demand for Fair Trade products meet the Fair Trade offer. Specific recommendations are available at page 14.
- Build on the [European Consensus on Development](#), the [2017 Joint EU Strategy on Aid for Trade 'Aid for Trade Communication - Achieving Prosperity through Trade and Investment'](#) and the [European Commission Communication COM\(2014\)263 - "A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries"](#) to help LAs develop, test, and implement innovative Fair Trade projects and partnerships in the Global North and the Global South through EU development cooperation funds. Specific recommendations are available at page 21.
- Further development the commitments of [the current European Commission trade and investment strategy](#)

to help LAs facilitate the matchmaking between the growing demand and offer of sustainable products and services. Specific recommendations are available at page 25.

- Keep on organising the EU Cities for Fair and Ethical Trade Award as a tangible incentive for LAs, CSOs and companies to commit to Fair Trade. Specific recommendations are available at page 29.



©CASUSO
Fair Trade producer from Dominican Republic

4. EU policy recommendations

4.1 Public procurement

EU policy framework

The [2014 EU Directive on public procurement](#) allows procurers across the EU to better promote sustainable development through their public purchasing. Its recital 97, where Fair Trade is mentioned, opens the possibility ‘to use award criteria or (contract performance conditions) relating to the works, supplies or services to be provided under the public contract in any respect and at any stage of their life cycles from extraction of raw materials for the product to the stage of disposal of the product, including factors involved in the specific process of production, provision or trading and its conditions of those works, supplies or services or a specific process during a later stage of their life cycle’.

Moreover, article 43 of the directive (on the use of labels and ‘equivalent labels’) introduces the possibility in a call of bids to ‘require a specific label as means of proof that the works, services or supplies correspond to the required characteristics’ when some conditions are respected: 1. there is a link to the subject of the contract; 2. there are objective, verifiable, set by a third party and non-discriminatory criteria; 3. there is an open and transparent procedure where all the stakeholders can participate; and labels are accessible to all interested parties.

Furthermore, article 67 (on award criteria) introduces the ‘cost-effectiveness approach’ to evaluate the call of bids. This means that it makes possible to assess ‘environmental and/or social aspects, the specific process of production, provision or trading of those works, supplies or ser-

vices’. Recital 99 also introduces the possibility to use as subject of award criteria or contract performance conditions the ‘social integration of disadvantaged persons or members of vulnerable groups’.

Finally, its recital 98 states ‘contract performance conditions might also be intended to favour the implementation of measures for the promotion of equality of women and men at work, the increased participation of women in the labour market and the reconciliation of work and private life, the protection of the environment or animal welfare and, to comply in substance with fundamental International Labour Organisation (ILO) Conventions and to recruit more disadvantaged persons than are required under national legislation.’

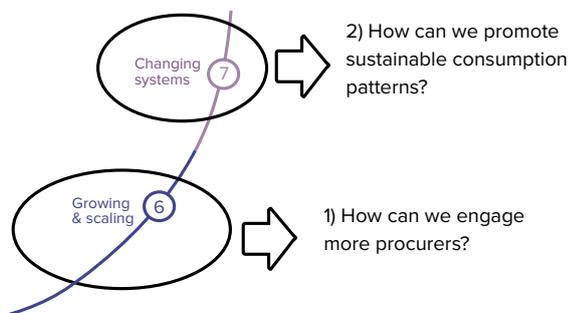
The [European Consensus on Development](#), the shared vision and framework for action for development cooperation for the EU and its Member States, also contains the commitment to promote sustainable and transparent public procurement to support sustainable development to align with the Sustainable Development Goal 12. The goal contains, among its targets, the promotion of ‘public procurement practices that are sustainable, in accordance with national policies and priorities’.

Concerning the promotion of fair procurement in the textile sector, it is also relevant to mention that the 2017 European Parliament’s [initiative report](#) puts a political pressure on the EC to act (see articles 13, 43, and 44).

Finally, the [United Nations Sustainable Development Goals Target 12.7](#) is the promotion of public procurement practices that are sustainable in accordance with national policies and priorities.

Introduction

According to the OECD publication ‘Government at a Glance 2017’, public procurement represents approximately 12% of the Gross Domestic Product in OECD countries. The highest percentage is spent in the Netherlands (20.2%). Public procurement is particularly relevant for regional and LAs, as most public procurement spending in the OECD countries (63%) is carried out at those levels. As the largest public contractors, municipalities can make a key contribution towards sustainable consumption and production patterns (SDG 12) by procuring sustainable products and services. At the same time, municipalities can use public procurement to enhance their international image in their political and economic relationships.



The EU Public Procurement Directive 2014/24/EU has the potential to seize the opportunity that public procurement represents in the promotion of sustainable consumption and production patterns, such as Fair Trade, as well as to support the upscale good practices in this field. However, even if the EU Directive makes it easier for LAs to promote Fair Trade through public procurement, the inclusion of Fair Trade considerations on public tenders is still low in the EU.

This research aims to look at the current barriers that discourage procurers from including sustainability criteria in their calls for tenders, as well as looking at the promising local practices in this area. In particular, it wants to answer to the following questions:

- How can we engage more procurers with Fair Trade?
- How can we create systemic change through public procurement? How can we use it to substantially boost the demand, and indirectly the offer, of sustainable products and services?

The objective is to provide the EU with recommendations on how to enable LAs to use the 2014 Public Procurement Directive to the fullest and procure more ethical and fair products and services (SDG 12.7).

Research findings

Building on the outcomes of the EU Conference ‘From Local to EU Level: Scaling Up Fair Trade in Europe’ and a recent survey that FTAO sent to the Fair Trade movement, the research gathered the following feedback.

a) Challenges

• i) Budgetary constraints

Due to their mandated budgetary discipline, public offices are often under pressure to choose the cheapest provider. This is still commonplace, even though it may often be cheaper to consider sustainable products in the medium to long term.

• ii) Complexity

In small offices especially, staff do not always have the time or knowledge to reflect upon relevant aspects of sustainability. Moreover, the common split, at EU, national and local level, between green public procurement and social public procurement does not help to provide procurers with guidance on how to include both green and social considerations in their calls for tenders. Additionally, despite various efforts to simplify the legislation, procurement officers are in many cases still uncertain of how to integrate sustainability aspects in the procurement process. Lastly, the fragmentation between national, regional and local regulations can make it even more challenging for procurers to feel confident to act in this area.

• iii) Lack of procurers’ capacity

Most of the consulted stakeholders mentioned that procurers need more guidelines, trainings and contact points to be able to include Fair Trade criteria in tenders. The fear of not complying with the law discourages many procurers from including social and environmental considerations in their calls. Procurers also face technical barriers. Even if the new Directive simplifies things by allowing

procurers, for example, to use sustainability labels as a convenient way to identify more sustainable products, it is still difficult for procurers to understand and recognise which sustainability aspects a label covers, whether it is trustworthy and how it ensures that it does what it claims to do. Finally, procurers' knowledge on Fair Trade and sustainability schemes and labels is not always sufficient.

• iv) Structural barriers of public authorities

Public procurement processes are often inflexible and bureaucratic, thus making it more difficult to change the way procurers work. The fact that public procurement is often decentralised also prevents some civil servants from acquiring the necessary expertise and confidence to include Fair Trade considerations in their tenders.

• v) Lack of supply

The supply of products need to be guaranteed and this is not always the case. From the offer side, two main problems have been identified. First, Fair Trade suppliers are not always familiar with public tenders and they do not always have the capacity to participate in public tenders. Second, the offer of some Fair Trade suppliers is not always sufficient to respond to the needs of municipalities, in particular in big cities.

• vi) Lack of communication

Sometimes local public bodies do not have the capacity to communicate about the importance of Fair Trade to their citizens. Moreover, the fact that it is difficult to get quantitative data on the impact of sustainable purchases does not help LAs show why fair public procurement is important. This can be a final reason why some procurers also do not commit further in this area.

b) Promising approaches

Even if the research identifies some barriers that still need to be tackled to allow more LAs to implement sustainable procurement policies and practices, thanks to the new EU Directive and the work of Fair Trade campaigners in this field, more and more LAs are buying Fair Trade products. What is certainly moving forward is public authorities' awareness on the topic.

Examples of good practice are also growing, thus highlighting promising approaches that can be used to overcome the above-mentioned challenges:

• • i) Ways of increasing LAs' capacity and willingness to buy Fair Trade products

The political commitments to Fair Trade is often the first step before the development of sustainable public procurement strategies and practices at local level.

Several initiatives also help LAs feel more confident to procure sustainable products. In particular:

At national level

Germany

Since 2007, the Germany-wide Fair Procurement Network gathers more than 160 experts from German municipalities, ministries, institutions, the private sector and non-governmental organisations with the aim to support municipalities in introducing and complying with social standards in public procurement and increase professional exchange in this area. Thanks to the national and regional financial support, the Service Agency Communities in One World of Engagement Global GmbH provides German Local Authorities with ad-hoc expertise on fair public procurement.

For more information, please click [here](#).

One key factor for fair procurement is being able to access, at any time, the available legal information on procurement that evaluates labels and includes text modules and examples. This is managed by the [Sustainability Compass Website](#), which is designed for municipal buyers. The website contains examples of how to incorporate aspects of sustainability into tenders, a list of companies offering sustainable products, as well as information on what sustainability aspects are relevant in different product groups. Officers can view other municipalities' tenders and engage in mutual learning. They can also get more information on labels and the sustainability aspects they cover. Other free services are also available to support actors involved in procurement.

This service has helped several German Local Authorities to implement successful Fair Trade procurement policies. The list of supported cities includes the city which was awarded in 2018 for its procurement policy in the framework of the first EU Cities for Fair and Ethical Trade: [Saarbrücken](#).

France

The [French Law No. 2014-856 of 31st July 2014](#) about “social and solidarity economy” displays the obligation for public actors to adopt and publish a scheme for the promotion of responsible public procurement (Schéma de Promotion des Achats Responsables). The purpose was to encourage public buyers to purchase responsibly, from a social and environmental point of view. It is interesting to note that the winner of the first EU Cities for Fair and Ethical Trade Award’s Special Mention for Innovation goes to [Lyon](#), a French city which included Fair Trade criteria in its Schéma de Promotion des Achats Responsables.

At a local level

Madrid

The procurement Regulation 2/2016 on including ethics and Fair Trade clauses in contracts, concessions and authorisations requires all public bodies of the municipality of Madrid to include Fair Trade clauses and/or products in all contracts and authorisations whose purpose is the supply of food or catering services. The regulation makes it mandatory to include in all catering tenders at least a Fair Trade product.

Since 2016, the regulation helped procurers include sustainability considerations in their tenders and get access to text modules and examples to include, without being afraid of not complying with the law. Courses on Fair Trade are also part of a training plan for municipal employees.

For more information on the work of Madrid on Fair Trade, please click [here](#).

Ghent

The city of Ghent set up a sustainable procurement steering committee, which developed a set of guidelines for sustainable procurement and a strategic roadmap for sustainable procurement, to boost, share and assess experiences in this area. Ghent’s procurement policy combines social and environmental considerations and breaks the silo approach, which is often adopted in this policy area by foreseeing social procurement and green public procurement officers, departments and guidelines.

Recently, the city of Ghent also published a guide on sustainable procurement policy in the textile sector. This toolbox, which targets Flemish LAs, aims to help municipal governments ensure that the clothing they buy has been made in fair working conditions. The guide was the final output of the pilot project ‘socially responsible workwear’, launched by the association of Flemish Cities and Municipalities (VSG) and the City of Ghent.

For more information on the work of Ghent on Fair Trade, please click [here](#).

• • ii) Ways to involve more procurers with Fair Trade

According to the OECD publication ‘[Government at a Glance 2017](#)’, health expenditure represents about one third of public procurement spending in OECD countries, representing even over 40% of public procurement spending in Belgium (47%), Italy (44.8%), and Germany (42%). Helping hospitals, as well as other public bodies, to include Fair Trade and sustainability criteria in their calls for tenders is also crucial. The following good practices have been identified to promote fair textile procurement:

Denmark

Regions set up a framework for procurement that individual hospitals can use to make day-to-day orders. The Danish procurement agency includes additional ethical and environmental principles that partially include Global Compact principles.

Norway

A central procurement organisation establishes procurement frameworks that individual hospital trusts can use for their own procurement. The Norwegian agency also promotes initiatives aimed at tackling bad working conditions in textile manufacturing.

• • iii) Building suppliers' capacity

At national level

Sweden

All regions have a joint code of conduct that suppliers need to sign and comply with. The code of conduct is based on the United Nations Universal Declaration of Human Rights, the Eight Fundamental Conventions of the International Labour Organisation, The United Nations Convention on the Rights of the Child, the United Nations Convention against Corruption and relevant labour and environmental legislation in the production country.

Belgium

The Association of Flemish Cities and Municipalities (VSG) and the City of Ghent took the lead and launched the pilot project '[socially responsible workwear](#)'. The project included three phases:

- 1) the analysis of public tenders in general;
- 2) a market analysis of the sector;
- 3) the development of a toolbox for LAs.

The toolbox suggests working on three fronts:

- 1) stimulation of the market;
- 2) development of long term relationships with suppliers;
- 3) constant improvement of working conditions.

• • iv) Raising awareness of the need for sustainable consumption and production patterns

Ghent

Raising awareness of fair fashion has been high in the city's priorities in the last years. In partnership with civil society organisations promoting Fair Trade, the municipality promoted the following awareness raising initiatives:

- the [Fair Fashion Fest](#), which promotes fair textile through a fashion show, fair fashion market, lectures and workshops;
- [Belmundo](#), a solidarity festival which is entirely dedicated to alternative economy models;
- 'Fair Fashion Labs' that allow entrepreneurs, researchers and civil society organisations to meet and share experiences.

From a communication perspective, the city also produced a Fair Fashion/Food Walks map of the city. An inspirational fair fashion guide listing local Fair Trade shops and the publication 'Eerlijk textiel onder de loep' (fair textile under the microscope), which aims to help entrepreneurs develop their own vision on sustainable production patterns in the textile sector.

Public Procurement - EU policy recommendations

To enable LAs to use the 2014 Public Procurement Directive to the fullest:

- 1) EU institutions should lead by example by putting in place a sustainable public procurement strategy for its institutions.
- 2) Calls for tenders from the EU institutions should include mandatory social responsibility and sustainability clauses.
- 3) The European Commission should commission a study on the current inclusion of Fair Trade and other sustainability considerations in public tenders to make a first assessment of the impact of the EU Public Procurement Directive on sustainable public procurement.
- 4) The European Commission should propose a strategy and action plan (as referred to in SDG 12.7) on how public procurement can be used as a tool to achieve the Agenda 2030, namely a gradual increase of public procurement so that all public procurement done with EU money (directly spent by the European Institutions or by Member States) includes sustainability criteria by 2030.
- 5) The European Commission should set up a specific unit on sustainable public procurement to coordinate its effort to promote and monitor social and green public procurement. The unit should have overall responsibility for ensuring a coherent EU policy on sustainable public procurement across EC Directorate-Generals that have a role in sustainable public procurement (DG GROW, DG ENVI, DG EMPL, and DG DEVCO). For example, it should aim to provide procurers with comprehensive guidelines on how to include both green and social considerations in their tenders by merging the existing EC Buying Green and Buying Social Guidelines. Specific guidelines should be developed to promote the inclusion of sustainability criteria in strategic sectors, such as food and textile, replacing or building on the existing “Green Public Procurement” criteria for certain categories, which are mainly if not exclusively about environmental clauses.
- 6) The website of the Information System for European

Public Procurement (SIMAP) should show EU suppliers how to increase the chances to participate in public tenders by adopting sustainable consumption patterns.

- 7) A Europe-wide platform (off-line meetings once a year and a web portal) should be created or developed to provide:

a. Procurers with

- Legal and technical information on the opportunities to include sustainability considerations in their calls for tender;
- Information on labels, what they cover in terms of sustainability and how they can be used in their calls;
- Examples of good practice on how to include Fair Trade and other sustainability schemes in their calls;
- Communication and awareness raising material on the positive impact of sustainable public procurement;
- An off-line and online space where they can meet suppliers that are committed to sustainability.

b. National procurement agencies with

- Good practices on how to support sustainable procurement at national and local level;
- Guidance on how to: 1. set up frameworks for procurement that public authorities can use to make day-to-day orders which include social and environmental considerations; 2. coordinate procurers' demand for sustainable products and services.

c. Companies with

- Advice on the business opportunities that sustainable public procurement offers;
- A space (online and off-line) to get in touch with committed contracting authorities that are looking for suppliers committed to sustainability in the EU. The online communication material should include information on existing databases where they could register to meet procurers' demand for sustainable products and services;
- Information on how to tackle social and environmental considerations in their business;

- Training material on how to reply to call for tenders including social and environmental considerations;
- Examples of best practice businesses and what fair products they can supply to public procurers.

d. General public with

- Awareness raising material on the role of public procurement in promoting sustainable development;

- 8) The EU should financially support
- national procurement agencies to help them train and advise procurers on sustainable public procurement issues (e.g. through call centres, online tutorials);
 - awareness raising campaigns that encourage procurers and build their capacity to include Fair Trade considerations in their calls for tenders;
 - knowledge sharing opportunities for national public procurement agencies as well as procurers themselves, on sustainable public procurement.



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International Fair Trade Town Conference - Bristol 4 July 2015

4.2 EU development cooperation policy

EU policy framework

In 2017, the EU and its Member States agreed on a [new European Consensus on Development](#), a shared vision and framework for action for development cooperation. The policy framework states that ‘development cooperation will help to reinforce the inclusion and implementation of trade and sustainable development chapters in trade agreements; increased preferential access for vulnerable countries to the EU market; support for fair and ethical trade and to further develop policies to ensure responsible management of supply chains’. In the Consensus, the EU and its Member States commit to:

- address the need to accelerate and support the promotion of sustainable consumption and production patterns in Medium Income Countries
- encourage business-to-business exchange and dialogue between Micro, Small and Medium Enterprises (MSMEs) in the EU and in the partner countries or regions
- Support responsible business practices and responsible management of supply chains
- Promote the higher uptake of responsible and inclusive business models and practices by a wider range of EU companies with supply chains in developing countries, in close partnership with their public and private stakeholders
- Promote private sector initiatives and social enterprises, cooperatives and women and youth entrepre-

neurs, to boost the provision of local services as well as inclusive and green business models

- promote operating space and enabling environments in development education and awareness raising
- focus interventions on food and agriculture.

Moreover, the [2017 Joint EU Strategy on Aid for Trade ‘Aid for Trade Communication - Achieving Prosperity through Trade and Investment’](#) acknowledges that the ‘promotion of fair and ethical trade and responsible business practices (..) will make a strong contribution towards the 2030 Agenda’. The strategy includes the commitment to:

- Identify and support value chains with potential for value addition through more systematic use of trade and investment diagnostics and market intelligence tools by EU Delegations and Member States’ agencies in the field to guide EU policy dialogue and EU aid for trade delivery (such as coffee, cocoa, and cotton);
- Strengthen the engagement with LAs to better inform aid for trade delivery including through the Domestic Advisory Groups (DAGs);
- Adequately connect EU support to social and environmental objectives, aid for trade, the chapters on trade and sustainable development of the new generation of EU free trade agreements, the Environmental Goods Agreement, and international principles and guidelines on responsible business conduct;
- Build synergies between Aid for Trade and the new European Investment Plan (EIP).

Introduction

Local actions and policies have a global impact, which is why more and more municipalities are acknowledging their global responsibility and getting involved in development cooperation policies and initiatives that aim to raise awareness and promote sustainable consumption and production patterns. LAs can act as pioneers in the development and implementation of innovative ways of promoting sustainable development, such as local Fair Trade projects aiming to engage the private sector and/or the general public.

More and more LAs are also establishing and maintaining partnerships with municipalities or other stakeholders in Africa, Asia, Latin America and Eastern/Southern Europe. Getting involved in international partnerships and transferring municipal know-how on sustainable consumption and production patterns abroad. Some pioneering projects are also testing innovative ways to facilitate the matchmaking between EU companies and Fair Trade actors.

EU development cooperation funds and policies are key tools to provide LAs across the EU with the necessary resources to:

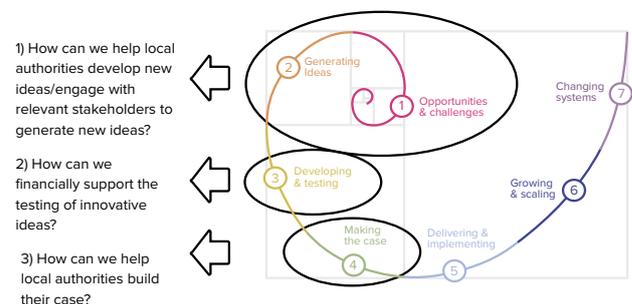
- Learn from each other about how to promote sustainable development through development cooperation policies and initiatives
- Create relevant partnerships in the Global North and the Global South
- Learn about existing examples of good practice that could be replicated
- Test and/or upscale innovative initiatives, in the Global North and in the Global South
- Boost sustainable production and consumption patterns in the Global North and the Global South

The 2030 Agenda is a new framework for international cooperation; to promote sustainable development and enhance Global Partnership for Sustainable Development. However, according to the research findings, many LAs face barriers in benefiting from this political framework to develop, test and implement innovative Fair Trade

projects, as well as to boost sustainable production and consumption patterns in the Global North and the Global South.

This research aims to look at the current barriers that discourage LAs from promoting Fair Trade through development cooperation policies and initiatives. It also highlights promising and innovative approaches in this area with the aim to answer to the following questions:

- How can LAs be encouraged and supported to develop and test innovative Fair Trade projects and partnerships through development cooperation policies and initiatives?
- How can we create systemic change through development cooperation projects on Fair Trade? How can we use them to promote sustainable consumption and production patterns, as well as sustainable lifestyles, in the Global North and the Global South?



The objective is to provide the EU with policy recommendation on how to enable LAs to use the current EU development cooperation funds and policies to develop, test, and implement innovative Fair Trade projects and initiatives in the Global North and the Global South.

Research findings

On 28 June 2018, a workshop was organised to discuss the potential of the EU development cooperation funds and policies for the upscale and replication of successful local Fair Trade projects, as well as for promoting sustainable consumption and production patterns in the Global South and the Global North.

a. Challenges

• 1. Lack of LAs' capacity to apply for EU funding

The [Development Education Awareness Raising \(DEAR\)](#) Programme was considered the most relevant EU funding opportunity to help LAs' work in the field of development cooperation, thus fostering sustainable global partnerships. The Programme aims to anchor awareness and understanding of global sustainable development in our societies, highlighting the responsibilities and roles of all individuals, civil society organisations, local authorities, governments and other development actors around the world, to contribute to development. Other relevant sources of funding have been identified:

- The [Europe for Citizens Programme](#), which supports town twinning projects and networks of towns working together on common themes;
- The [Interreg Europe](#), which helps regional and local governments across Europe to develop and deliver better policy by creating an environment and opportunities for sharing solutions.

However, many LAs do not have the expertise to apply for EU projects. Moreover, they may lack the necessary network to build European consortia to participate in EU calls for proposals. A lack of capacity to manage EU projects is another barrier, which prevents LAs' participation in EU projects, thus contributing to a lack of funding to develop, test and implement innovative Fair Trade projects.

• 2. Lack of exchange opportunities

The lack of opportunities to learn from other committed LAs also makes it difficult for LAs to replicate and/or up-scale successful good practices.

• 3. Lack of citizens' awareness on the impact of their consumption patterns

In some areas of the EU, in particular in Central and Eastern European countries, the limited number of CSOs and local businesses that are engaged with Fair Trade challenge LAs' awareness raising work towards citizens.

• 4. Lack of EU businesses' awareness and capacity to implement sustainable production patterns

Some pioneering projects have been developed to encourage EU local businesses, together with importers and exporters to work with Fair Trade to promote sustainable supply chains and production patterns. However, LAs are having difficulties in:

- Showing the clear benefits of Fair Trade for EU businesses;
- Helping local companies connect with Fair Trade and other sustainable suppliers in the Global South;
- Providing enterprises with incentives, such as sustainability fairs, to invest in sustainable production patterns

• 5. Missing links between the Global North and the Global South

LAs that want to implement Fair Trade projects in the Global South also find it difficult to:

- Find the right interlocutors in partner countries, because of disfunctions at municipal level or a lack of actors engaged with Fair Trade.
- Enter dialogue with Fair Trade actors in the Global South: producers' groups and their governments do not always understand the narrative of Fair Trade LAs in the Global North. Actors do not necessarily speak the same language and more opportunities for dialogue are needed.

b. Promising approaches

This research gathered promising approaches to face the identified challenges:

• • 1. Building LAs capacity

Germany

On behalf of the BMZ and the German federal states, the [Service Agency Communities in One World](#) supports municipalities in mainstreaming the 2030 Agenda across its policies. It provides LAs with information, qualified knowledge and networking opportunities through professional exchanges, knowledge transfer and partnerships between municipalities in Germany and the Global South. It also

supports LAs implement development cooperation projects. Organisations and bodies supported by the service agency include the federal states, the municipal umbrella organisations as well as relevant civil society organisations. The support does not include LAs only, but also civil society groups that work together with the municipalities on development cooperation projects.

• • 2. Creating Exchange Opportunities and Linking the Global North and the Global South

At national level: Germany

The [Service Agency Communities in One Word](#) provides municipalities from Germany and from countries in the South with a platform for dialogue. This enables them to exchange experiences and jointly develop local solutions to global issues. Currently, it focuses on relevant topics such as climate change, sustainable partnerships, migration and development at the local level and professional exchange among local government. It supports the development activities of local actors by providing them with training, information and advisory services.

Through the Municipal Climate Partnerships project, partnerships between German partners and stakeholders from African, Latin American, and South East Asian countries are also created to boost cross-learning opportunities. Professional exchanges are also facilitated through national and international network meetings. Similar exchanges are also promoted through the Municipal Partnerships for Sustainability project, which also allows municipalities to apply for a maximum 90 per cent grant for human resources in their area of development cooperation.

At a local level: Madrid

Madrid holds a permanent co-presidency of the [UCCI \(Unión de Ciudades Capitales Iberoamericanas – Union of Ibero-American Capital Cities\)](#) gathering major cities in Latin America and on the Iberian Peninsula. The initiative promotes Fair Trade through: 1. the Ibero-American Fair Trade City label; 2. knowledge sharing workshops; 3. Competitions aiming to co-finance innovative projects in

this field. Furthermore, Madrid has cooperation and town twinning agreements with more than fifty cities, including seventeen Ibero-American cities (Buenos Aires, Bogotá, Guadalajara, Quito, La Paz, Guatemala, Puerto Príncipe, etc.) and the Mercociudades network. For this reason, Madrid has been awarded for its work in the field of innovation and global partnerships in the framework of the first EU Cities for Fair and Ethical Trade Award.

• • 3. Promoting sustainable production patterns

a. Engaging the private sector

Bruges

Bruges is the first city to bring its own Fair Trade chocolate bar to market. The chocolate has been named ‘Sjokla’, which means chocolate in the Bruges local dialect. This is how the municipality is combining local know-how and excellence in the field of chocolate with Fair Trade producers in the Global South.

The chocolate came about in collaboration between the Bruges municipal council and the Guild of Bruges Chocolatiers. The chocolate bars are made from 100% Fair Trade cocoa. With these choices, Bruges wants to show its respect for the cocoa farming tradition in the southern hemisphere on one hand, and the local chocolate trade in Bruges on the other. With the promotion of a sustainable and great tasting chocolate, Bruges wants to commit its role towards the creation of a more sustainable cocoa sector and show how culinary enjoyment, local craftsmanship and sustainability go hand in hand. It is the start of an ambitious global partnership to build a sustainable chocolate supply chain.

Ghent

In Belgium, the municipality of [Ghent](#) is raising awareness and increasing the demand of Fair Trade fashion and food through fairs. A special effort has been made in the textile sector, a traditional sector of the local economy. By organising the Fair Fashion Fest, Ghent gathers more than 3000 citizens.

To increase the offer Fair Trade of in the city, the Ghent

Fair Trade project also supports local entrepreneurs who want to screen their international supply chains on the basis of ethical criteria. International experts have already established a cooperation with more than 30 local businesses to identify the barriers they face and how they can solve them.

Saarbrücken

Through the “[Masterplan Fair Trade 20-Now](#)”, the municipality of Saarbrücken is organizing workshops, debates, and other initiatives aiming at promoting Fair Trade towards different stakeholders and in different areas. In the framework of the Masterplan, the city is also planning an award for companies that are committed to Fair Trade. This initiative will not only reward those companies that are investing in sustainable production patterns, but also contribute to the replication and upscale of promising approaches among local businesses.

Gothenburg

The city of [Gothenburg](#) foresees workshops targeting companies on how to engage with the Fair Trade agenda. The good cooperation of the city with CSOs, companies, and other local stakeholders also contribute to a greater promotion of sustainable consumption and production patterns.

Victoria-Gasteiz

Local companies in the catering sector, vending machine operators and other catering services are incorporating Fair Trade products and are adhering to the city’s campaign; ‘Multiply by Zero’. This example of a small-sized local authority shows how even small towns can play a role in the promotion of sustainable consumption and production patterns. For more information, click [here](#).

• • b. Exploring new markets

Dortmund

For a long time, coal was one of the mainstays of Dortmund’s economy. Even though this sector is no longer a leading one for the local economy, it is sensitive for the local population. Therefore, several times a year, Lord Mayor meets with representatives of non-governmen-

tal organisations, churches and management boards as well as CSR managers from RWE and STEAG in a “Working Committee on Imported Coal” to agree on upholding human rights, environmental and social standards. After several discussions with the Colombian Embassy, they are now working on a joint project which will lead to specific improvements for the people in the region of Columbia where open cast coal mining is prevalent. This is a response to the need of LAs to go beyond the traditional Fair Trade products and make all trade fairer. This is another example of how LAs can link Fair Trade principles with the history of their community, as well as an example about how LAs can expand the number of sectors where we can raise awareness and act to promote sustainable consumption and production patterns.

• • 4. Promoting sustainable consumption patterns

Lyon

Lyon created the territorial label “[Lyon - Ville Equitable et Durable](#)” (Lyon - Fair and Sustainable City) to promote responsible consumption patterns at local level. Initiatives such as “le Festival des Labellisés” (Labels Festival), le “Quinzaine du Commerce Equitable” (The Fair Trade Fortnight), “le Salon Européen du Commerce Equitable” (the European Fair Trade Fair), and “la Semaine du Développement Durable” (the Sustainable Development Week) enable the city to engage their citizens with the topic. Every year, the municipality also distributes 35,000 copies of the directory of businesses with the label “Lyon - Ville Equitable et Durable”. Social media channels are also used to give visibility to the city’s initiatives in this area.

Gothenburg

The city of Gothenburg took some further steps in the promotion of sustainable consumption patterns. Its strategy does not only include the promotion of sustainable consumption patterns, such as Fair Trade, but also the promotion of [sustainable lifestyles](#). An online platform on changing attitudes and behaviours is available to their citizens to inspire them to think about how they can change their habits to contribute to sustainable development.

Barcelona

In 2008, two local NGOs (Alternativa3 and Fundació Grup Tercer Món Mataró), together with other LAs (Provincial Council of Barcelona and other town city councils) launched the [Café Ciutat](#) initiative to influence behavioural change towards responsible consumption habits and practices. LAs have launched several complementary actions to reach this purpose, such as the implementation of Fair Trade public procurement practices and outreach actions.

Coffee has been quite an inspiring product to raise awareness on the local and global dimension of daily attitudes and how responsible purchasing and consumption can make a real difference. The purchase of Fair Trade coffee created a connection between EU consumers and Fair Trade producers, thus contributing to a change in the consumption behaviours of citizens and their families. Additionally, this cooperation between different stakeholders led to complementary actions at the local level.

Development Cooperation Policy - EU policy recommendations

The EU should guarantee that sufficient financial resources are available to allow innovative Fair Trade ideas to be generated and tested by LAs, thus promoting sustainable consumption and production patterns. It should also facilitate physical and online opportunities for LAs to learn from each other about innovative ways to contribute to sustainable development through development cooperation, especially in those sectors that are more strategic to tackle poverty and inequality (e.g. food and textile). In particular:

1. Through its Development Education and Awareness Raising Programme, the EU should keep on:

- supporting the effort of LAs and CSOs to help citizens understand the consequences of buying and producing at a low price and the interdependence between production patterns in the Global South and consumption patterns in the EU.
- Help LAs, in partnership with all relevant stakeholders, better link Fair Trade with the local policy agenda, as well as to promote not only sustainable consumption and production patterns, but also more sustainable lifestyles in general.
- foreseeing a specific budget for LA-led projects to help LAs play a pioneering role in testing innovative ways to promote sustainable consumption and production patterns, as well as sustainable lifestyles. The budget should also help LAs, in particular, in Central and East-

ern European countries, develop awareness raising initiatives and material on the impact of EU production and consumption patterns on sustainable development.

- supporting networks of LAs, such as the Fair Trade Town Campaign, committed to sustainable development as well as sustainable multistakeholder partnerships between the Global North and the Global South aiming to promote sustainable consumption and production patterns and/or sustainable lifestyles.

2. The website of the Development Education and Awareness Raising Programme should also be better exploited as a platform to highlight LAs and CSOs initiatives and good practices

3. Through Aid for Trade, the EU should:

- increasingly recognise the role of decentralised cooperation, city-to-city/ region-to-region partnerships and twinning as an efficient method to strengthen the capacities of the local and regional governments in partner countries;
- focus most of the efforts on medium-sized cities, where the bulk of demographic and urban growth is expected, as well as smaller towns and rural peripheries, where human and financial resources are limited;
- provide LAs with information, qualified knowledge and networking opportunities through professional exchanges, knowledge transfer and partnerships with the Global South;
- assist LAs in developing their institutional and organi-

sational capacity to develop sustainable development strategies;

- foresee risk capital funds to allow LAs to develop and test innovative sustainable business initiatives connecting the Global North and the Global South;
- support projects and partnerships that promote sustainable business models and matchmaking opportunities between companies, LAs, and other stakeholders committed to sustainable production patterns in the Global North and the Global South with a focus on sectors that are key to tackle global challenges such as poverty and climate change (e.g. agriculture and textiles);
- facilitate the connection between Fair Trade actors in the Global South and sustainable markets and busi-

ness partners, such as EU LAs and their local sustainable businesses;

- facilitate the sharing and upscale of innovative development cooperation projects;
- raise awareness among LAs, CSOs consumers and companies on sustainable development and Fair Trade.

4. The objectives of the EU development cooperation funding programmes should create synergies with the objectives of other EU funding programmes that have the potential to promote sustainable lifestyles and to raise EU citizens' awareness on the impact of the EU consumption and production patterns in the Global South, such as the Erasmus + Programme, the Interreg Europe, and the Europe for Citizens Programme.



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4.3 Trade policy

Policy framework

The EC “Trade for All” Communication is the first EU trade strategy which includes a section devoted to Fair and Ethical Trade schemes:

4.2.4. Promoting fair and ethical trade schemes

Promoting fair and ethical trade schemes reflects EU consumer demand and contributes to developing more sustainable trade opportunities for small producers in third countries. There is a lack of information today about access to fair trade schemes for both producers and EU consumers. The Commission has a role to play in facilitating this connection and in raising awareness on both the supply and the demand sides.

Commission will:

- i. use the existing structure for implementation of FTAs

- ii. address fair and ethical trade more systematically in the upcoming review of the EU ‘Aid for trade’ strategy and report on fair trade-related projects as part of its annual ‘Aid for trade’ report;
- iii. promote through the EU delegations and in cooperation with the High Representative, fair and ethical trade schemes to small producers in third countries, building on existing best practice initiatives;
- iv. step up support to work in international fora, such as the International Trade Centre, to gather market data in relation to fair and ethical trade markets, which could then serve as a basis to follow the evolution of the markets; and
- v. develop awareness-raising activities in the EU, in particular working with Local Authorities in the EU via the possible launch of an ‘EU City for Fair and Ethical Trade’ award.

Introduction

Fair Trade products are now sold across five continents, thus becoming an increasingly prominent feature in our shopping and business practices. LAs can help deepen the understanding of citizens and companies on the benefits that Fair Trade brings, create opportunities for the Fair Trade demand and offer to meet, as well as to create incentives for markets to deliver sustainable development for all. Pioneering LAs are also increasingly linking Fair Trade with the drivers of local and regional economic performance. The question to be addressed is how local and regional economic development can boost economic activity and alleviate poverty in the EU, their territory and partner countries.

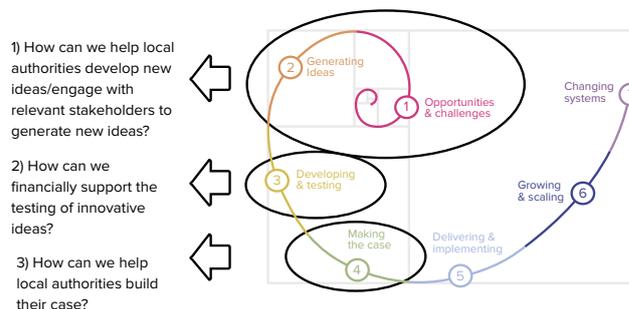
Even if the 2014 EU Trade Strategy contains for the first time a paragraph on ‘fair and ethical trade’ which aims to support LAs’ work on ‘fair and ethical trade’, some of the EC commitments still need to be implemented. Moreover, extra effort is needed to provide LAs with the necessary support to integrate Fair Trade in local economic devel-

opment strategies, to better align the topic with the local community’s agenda.

The research aims to identify the main challenges LAs face in promoting Fair Trade through trade policies and initiatives, as well as innovative approaches in this area. In particular, it wants to answer to the following questions:

- How can we help LAs develop, test and implement innovative ways to connect the growing demand and offer of sustainable products and services?
- How can we create systemic change through local Fair Trade initiatives in this area? How can we use them to match the demand and offer of sustainable products?

The objective is to provide the EU with recommendations



on how to use the next EU trade strategy to further support LAs implementing and/or promoting innovative Fair Trade projects and policies.

a. Challenges

• 1. Lack of data on the Fair Trade market and the social and environmental impact of Fair Trade

The lack of market data is a fundamental weakness that needs to be addressed as a priority. Data is needed not only to show to the business sector the benefits of committing to Fair Trade, but also to show to consumers how they are contributing to sustainable development through their consumption patterns. It is equally difficult to try and establish best practices when the market data across countries cannot be compared.

Market data is also needed to help LAs, as well as national and EU policy makers, to develop their policy and operational agendas. Equally, an effective and efficient system of monitoring and data collection would help policy makers create comparative indicators on performance levels of how policy makers are contributing to sustainable development objectives and goals.

• 2. Lack of matchmaking mechanisms

Another key challenge that LAs have raised is linked to the lack of matchmaking opportunities, such as physical fairs or online databases that can help LAs connect their local businesses with sustainable global actors, thus supporting their local companies' integration in sustainable global value chains.

• 3. Lack of policy dialogue

Trade is not done by negotiators only, but also by public authorities, private actors and citizens themselves. However, opportunities for LAs to contribute to the negotiation and implementation of EU trade agreements is very limited, as well as opportunities to have a dialogue with EU policy makers on how EU trade policies could support their work on Fair Trade.

b. Promising approaches to be upscaled

• • 1. Gathering market data

Some Fair Trade market data is already available in [France](#), [Spain](#), and [Germany](#). The aim of the Fair Trade actors gathering and presenting this data is to reach out to:

- Fair Trade producers that want to get information about the Fair Trade market demand (differentiated by product group and various fair/ ethical/ sustainability schemes and standards)
- Retailers and brands who are offering Fair Trade products or are interested in engaging with Fair Trade
- Consumers that want to better understand how they can influence the markets and have a global impact through their purchases
- Policy makers that are implementing or would like to implement Fair Trade strategies and initiatives
- The media and the scientific community that are interested in alternative consumption models and their impact

• • 2. Increasing matchmaking opportunities

The Netherlands

The [Dutch Good Growth Fund](#) (€750 million in total) offers tailored funding arrangements for entrepreneurs (particularly small and medium sized enterprises) that have solid business or investment plans and relevance to development, and whose business practices are sustainable and socially responsible. Financing is available for:

- companies in low and middle income countries making direct, innovative investments involving a substantial element of risk
- Dutch companies wishing to engage in commercial activities with partners in low or middle income countries
- Dutch companies aiming to export to low- and middle-income countries

These kind of initiatives could be promoted by LAs to connect their local businesses with Fair Trade actors in the Global South.

•• 3. Fostering policy dialogue

QuattroPole

QuattroPole is a trinational network of four cities: Luxembourg (LU), Metz (FR), Saarbrücken and Trier (DE). The international alliance aims to encourage cooperation and collaboration across borders and to implement innovative projects between the cities. Each city has appointed a working group, which works together with active volunteer initiatives and their sister groups in the other cities to launch Fair Trade events and engage LAs and local stakeholders in awareness raising activities on Fair Trade.

EP Fair Trade Breakfast with EU Ambassadors

Since 2015, MEP Bernd Lange organises annual European Parliament (EP) Fair Trade Breakfasts with EU Ambassadors to facilitate a dialogue between EU delegations and the Fair Trade movement. The meetings aim to encourage and build the capacity of EU Delegations to promote Fair Trade in the Global South, as well as to create annual networking opportunities.



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EU Conference from Local to EU Level Scaling Up Fair Trade
Brussels 28 June 2018

Trade Policy - EU policy recommendations

Trade policies and initiatives have the potential to help EU consumers and companies make informed choices, as well as to facilitate the matchmaking between the growing demand and offer of sustainable products and services. Therefore, the EC should:

1. Keep on organising the EU Cities for Fair and Ethical Trade Award as a tangible incentive for LAs as well as CSOs and companies to commit to Fair Trade

The EU needs to recognise and highlight the key role LAs play in the promotion of sustainable development through Fair Trade. More recommendations on how the EU Award could further support the upscale of local Fair Trade initiatives are available in the next chapter.

2. Implement its commitment to develop a robust and easy to apply methodology to gather data on the ‘fair and ethical trade market’

The development, collection and monitoring of Fair Trade indicators should provide the basis to compare the Fair Trade market in different countries across several dimensions:

- number of Fair Trade Towns and regions;
- number of Fair Trade organisations in the public register;
- presence of Fair Trade subsidies;
- number of Fair Trade campaigns and educational activities;
- number of companies involved in Fair Trade (number of producers, importers and retailers);
- number of Fair Trade products;
- data on public purchases to monitor the impact of the Directive on sustainable purchases.

The fair and ethical trade market report should aim to fill consumers’ lack of data, as to make informed purchases, as well as to provide sustainable businesses with useful information on the potential of the EU market for them, thus encouraging more consumers and companies to

commit to sustainable production and consumption patterns.

The size of the ‘fair and ethical trade market’ should be included in the list of indicators to monitor the implementation of the SDGs.

3. Provide LAs with exchange opportunities

The ‘Sustainable Cities Network’, which has been created in the framework of the EU Cities for Fair and Ethical Trade Award (see the next chapter) should help EU LAs not only to have more opportunities to learn from each other, but also create sustainable global partnerships linking the Global North and the Global South.

4. Issue yearly opinion polls on Fair Trade and other sustainability schemes

To monitor the level of awareness of consumers and companies on fairly produced and traded products, the EU should include this topic on relevant annual opinion polls, such as the Eurobarometer.

5. Building policy makers’ capacity to include Fair Trade in trade policies

In the context of the policy dialogue with partner countries, the EU should also create opportunities to share knowledge on how various countries (in the EU, such as France, and in the partner countries, such as Ecuador, Chile) include trade-related and sustainable development issues in their national trade strategies. These exchanges can be supported through symposia and workshops with and by EU partner countries.

The EU could also finance training courses for national governments and EU officials (HQ and delegations) on Fair Trade standards, their impact, existing Fair Trade supply chains and good practice Fair Trade projects through its Aid for Trade budget.

5. Let's regularly take stock of progress!

5

EU policy framework

In October 2015, with its Trade for All Communication, the EC committed to setting up the EU Cities for Fair and Ethical Trade Award. The initiative is part of the EU's efforts to raise awareness about how purchasing decisions of EU consumers can affect livelihoods, the environment, and too the role of LAs. In December 2017, the EC launched the first [EU Cities for Fair and Ethical Trade Award](#) with the aim of recognising and rewarding European LAs that promote fair, ethical and sustainable trade practices. The first winner was the city of Ghent; awarded on the 27th of June 2018. Dortmund, Saarbrücken, Lyon and Madrid also received special mentions for their work in the fields of education and community participation, inspiring procurement practice, innovation and global partnerships respectively. *For more details, please click [here](#).*

Introduction

In partnership with the Committee of the Regions (CoR) and the EP's Fair Trade Working Group, the Fair Trade Movement and several Fair Trade Towns have been involved in setting up this award over several years. The award's aim is to acknowledge and grow the local Fair Trade initiatives across the EU.

The award has the potential to provide a reply to some of the challenges that LAs are currently facing in promoting Fair Trade. In particular, the award can help cities and towns to:

1. Raise awareness on sustainable consumption and production patterns;
2. Exchange examples of good practice with like-minded LAs ;
3. Develop their network and their contacts with relevant cities and stakeholders;
4. Build their capacity by learning from other committed cities or from available databases and toolkits.

The award can also boost the upscale of local Fair Trade initiatives by: 1. promoting and spreading the outcomes of the first edition of the award; 2. using existing relevant



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Ghent is declared winner of the EU Cities for Fair and Ethical Trade Award 2019 by Cecilia Malmström, European Commissioner for Trade (on the right), and Arancha González, Executive Director for the International Trade Centre (on the left)

EU networks and databases to reach out a larger number of LAs and encourage them to act; 3. contributing to a new narrative on how the EU can contribute to sustainable development through trade.

This research aims to identify the obstacles that LAs have faced in participating in the first edition of the EU Cities for Fair and Ethical Trade, as well as to highlight the potential of the initiative.

The objective is to provide the EU with policy recommendations on how the next editions of the EU Cities for Fair and Ethical Trade could further encourage LAs to promote sustainable development through trade, as well as to promote sustainable consumption and production patterns.

Research findings

Following the first EU Cities for Fair and Ethical Trade Award Ceremony on 27 June 2018, the FTAO organised a workshop to discuss the potential the award had for up-scaling local Fair Trade projects.

According to the outcomes of the workshop, the award:

- helped cities and towns to:
 - o raise awareness on sustainable consumption and production patterns;
 - o exchange examples of good practice with other LAs committed to the topic;
 - o develop their network and their contacts with rele-

- o build their capacity by learning from other committed cities or from available databases and toolkits.
- managed to create a network of cities that are willing to share examples of good practice on these issues: the ‘Sustainable Cities Network’;
- allowed LAs across the EU to engage in a competition of their role to promote sustainable development through trade;
- gave media attention to the role of LAs in promoting sustainable development through trade;
- allowed committed cities to present their initiatives, thus inspiring others to do the same;
- provided a financial incentive for city led sustainable development cooperation projects.

However:

- the application form was not considered easy to fill in;
- a four month application window was not enough to allow the councils of some LAs to act within the framework of their legal and democratic proceedings;
- information on the award’s prize was not detailed enough to make some LAs understand the administrative and financial implications connected to the prize. Moreover, linking the award to a development cooperation project (the prize) was not considered appropriate by some LAs that are promoting fair and ethical trade through other policies;
- the award ceremony did not give LAs enough time to learn from each.

Promising approaches that could inspire the next editions of the EU Cities for Fair and Ethical Trade Award are represented by the following initiatives:

Germany

Since 2003, Engagement Global organises the biannual Capital City of Fair Trade competition. The competition rewards municipalities that have displayed exemplary commitment to Fair Trade, fair procurement and sustainable consumption. The winners receive prize money of € 250,000, which LAs use to continue and grow their Fair Trade projects. All the municipalities taking part are also able to participate in professional exchange on municipal activities in the fields of Fair Trade and fair procurement.

Finally, a Capital City of Fair Trade online project database contains examples of municipal engagement and relevant publications.

Engagement Global also provides the following benefits to LAs committed to Fair Trade:

- Events such as workshops, congresses and conferences;
- Facilitation and support of theme based networks ;
- Financial and human resources to support municipal policies;
- Online advisory service and thematic online portals;
- Personal consultations, free of charge;
- Guidelines and studies on current topics in development related areas of municipal activity.

For more information, please click [here](#).

Belgium

Once a year, the [Belgian Fair Trade Week](#) puts Fair Trade in the spotlight. For ten days, several activities are organised in the whole of Belgium thanks to the financial support of the Belgian Trade Centre, through to grassroots organisations promoting Fair Trade.

EU

Every year through the [EU Green Week](#), the EU promotes participatory approaches to urban development, networking schemes and tools for sharing best practices - engaging LAs and citizens and encouraging them to share their vision of a sustainable future. EU Green Week 2018 included events across Europe, with a high-level conference in Brussels and opening and closing events which took place in all EU countries.

The International Fair Trade Town Campaign

Launched 15 years ago in Garstang, in the UK, the [Fair Trade Town Campaign](#) is an example of how civil society, local businesses and local authorities can promote Fair Trade at a local level. More than 2,000 LAs have joined this movement and can participate in its annual International Fair Trade Town Conferences. This conference aims to facilitate exchanges on local Fair Trade projects and future commitments on Fair Trade.

EU Cities for Fair and Ethical Trade Award - EU policy recommendations

To further exploit the potential of the EU Cities for Fair and Ethical Trade Award to help LAs implement, replicate and upscale local Fair Trade initiatives, the following recommendations have been developed:

1. Promotion of the award

Need to develop and disseminate extra communication materials targeting small LAs and LAs from Eastern Europe, to increase LAs' engagement.

2. Application

Need to make the application shorter and faster to fill in. The limit to have at least 20,000 inhabitants to apply should be removed. Local desk points/ call centres could be set up to help LAs apply and get more communication material on the award.

3. Capacity building

Knowledge sharing of opportunities during the award ceremony and webinars could also be foreseen. Workshops could be organised among LAs of similar size or with similar interests.

4. Networking opportunities

The 'Sustainable Cities Network' should not only foresee physical networking meetings for LAs to exchange knowledge, but also develop online opportunities to do so.

5. Policy dialogue

The award ceremony should be a way to have a dialogue

between EU policy makers and LAs on relevant EU decision-making processes.

6. The prize

The prize should be a project that is not necessarily related to development cooperation issues. It should also be used to make the winning LAs cooperate with other LAs on the promotion of fair and ethical trade.

7. Organisation of a Fair and Ethical Trade Week

The next edition of the award ceremony could be organized in the framework of an EU Fair and Ethical Trade Week. During this EU week, events could be organized not only in Brussels, but also in other cities across the EU. The EC could provide the general framework, while allowing stakeholders, private sector, and civil society to propose activities within this framework.

8. Extra recommendations on the award's website

Examples of good practice A page of the award's website should be devoted to showcase local and regional authorities' best practices.

Database The award's website should also include a database where it is possible to get information on the cities that took part in the award so that the networking opportunities among cities can be promoted.

Grants could be foreseen for the next award's edition to allow grassroots organisations to promote the award across the EU.

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6. Concluding remarks

This research wants to be part of the larger effort of the Fair Trade movement to enable LAs to be social innovators through Fair Trade. It also wants to be a contribution to the advocacy work of the FTAO towards the EU institutions in the EU term 2019-2024, as well as a tool for Fair Trade campaigners to influence their national and local policy makers. Finally, the publication aims to provide a boost to the International Fair Trade Town Campaign, a

powerful tool to enable the replication and the upscale of innovative local Fair Trade projects.

Should you wish to get more information on the advocacy work of the Fair Trade movement and contribute to it, please contact advocacy@fairtrade-advocacy.org.

Should you wish to get more information or to join the International Fair Trade Town Campaign, please visit the campaign's website www.fairtradetowns.org



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Annex 1 – Acknowledgments

We would like to thank Engagement Global for the financial support that made it possible to undertake this research. We also would like to acknowledge the institutional support we received from the European Committee of the Regions, which hosted the EU Conference ‘From local to EU level: Scaling Up Fair Trade in Europe’, and the European Parliament Fair Trade Working Group, which actively participated in the debate on how to support LAs work on Fair Trade. In particular, we would like to thank:

- MEP Linda McAvan, Chair of the EP Working Group and speaker of the EU Conference on the research
- MEP Helmut Scholz, Moderator of the first part of the EU Conference and rapporteur of one of its workshops
- MEP Arne Lietz, rapporteur of one of the workshops of the EU conference
- MEP Lola Sanchez, rapporteur of one of the workshops of the EU conference

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- Permanent Representation of Bremen towards EU Institutions (Germany)
- Municipality of Bruges (Belgium)
- Municipality of Gothenburg (Sweden)
- Municipality of Ghent (Belgium)
- Municipality of Madrid (Spain)
- Platforma - the European platform of local and regional authorities for development (EU)
- Region of Veneto (Italy)



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EU Conference from local to EU level: Scaling Up Fair Trade in Europe, Brussels 28 June 2018

Annex 2 - Background information on the project

This research was funded by the Engagement Global Project 'From local to EU level: Scaling Up Fair Trade in Europe'. Please find below the project's factsheet:

Timeframe of the project

23 April 2018 – 23 December 2018

Main target

EU policy makers and LAs; in particular the Fair Trade Towns.

Other targets

National and regional policy makers, Fair Trade actors and the general public.

Overall objective

- To support the uptake and the upscale of local Fair Trade initiatives through the promotion of EU enabling policies;
- To influence the policy agenda of the next EU Commissioners and push for a renewed EU commitment to support LAs' work on Fair Trade.

The specific objective:

- To develop a list of EU policy recommendations for the next EC on how to further support LAs' work on Fair Trade;
- To give visibility to the work of the Fair Trade Town Campaign and the other LAs committed to Fair Trade, as well as to encourage a greater number of LAs to engage with Fair Trade and the Fair Trade Town Campaign;
- To showcase how Fair Trade can be used by policy makers at EU, national and local level to implement

the UN SDGs, as well as to identify windows of opportunities to support the implementation and the upscale of local Fair Trade projects;

- To provide Fair Trade actors with practical tips on how to influence the local policy agenda.

Outputs

The project included two main outputs:

1. A conference 'From local to EU level: Scaling up Fair Trade', on 27-28 June 2018 (Brussels)

back-to-back to the first EU Cities for Fair and Ethical Trade Award Ceremony on 27 June. The conference facilitated a discussion on specific EU policy recommendations to help LAs promote Fair Trade during the mandate of the next EC. Recommendations covered suggestions of how to:

- facilitate the sharing of good practice on Fair Trade among LAs;
- build LAs' capacity on Fair Trade;
- support networks of LAs promoting Fair Trade;
- support LAs' cooperation with/ consultation of Fair Trade actors;
- help LAs access EU funding to uptake and upscale local Fair Trade initiatives.

2. A research

which aimed to:

- Identify LAs' best practices to promote Fair Trade;
- Analyse the current challenges and opportunities for LAs to upscale Fair Trade initiatives;
- Develop recommendations for the next EC to support LAs' work on Fair Trade;
- Provide the Fair Trade movement with examples on how their LAs can promote Fair Trade.

Fair Trade

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