# Fair Trade

ADVOCACY OFFICE

**Annual report 2018 - 2019** 

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# 1. EUROPEAN UNION POLICY AND ADVOCACY

# Due diligence frameworks ensuring a positive impact on small farmers and workers

The FTAO has long advocated for the regulation of supply chains to ensure they are sustainable and respect human rights and the environment. 2018/19 saw a huge increase of pressure on policy-makers to introduce mandatory human rights due diligence (HRDD) for companies. The FTAO welcomes this increased interest in mandatory HRDD, however there is a need to ensure that mandatory HRDD is designed and implemented in a way which considers the perspectives of small farmers and workers. This has been the primary focus of the FTAO's work on HRDD in 2018/19.

Report on due diligence frameworks: In early 2019, together with Brot für die Welt (BFW), we launched a call for proposals for a study on how to ensure HRDD frameworks are designed and implemented in a way that leads to a positive impact on small farmers and workers. The research report, which should be completed by March 2020, will provide recommendations for policymakers.

#### Due diligence frameworks ensuring a positive Fair and sustainable cocoa supply chains

There is a huge amount of chocolate processed and consumed in Europe. European imports of cocoa mainly come from the Ivory Coast and Ghana, where the farmers who produce the cocoa often live in extreme poverty and issues of child labour and deforestation are widespread. Voluntary schemes and company initiatives have contributed to some progress, However, the FTAO feels that transformative change in the cocoa sector will only be brought about through regulation.

Report on regulatory options in the cocoa sector: In 2018 we commissioned a study on regulatory options for the cocoa sector in collaboration with FERN and Tropenbos. The report: "Towards sustainable cocoa

supply chains: regulatory options for the EU", written by Duncan Brack, was published in June 2019. In view of the recommendations of the report, the FTAO recommends a package of measures including voluntary partnership agreements between the EU and producer countries, mandatory human rights due diligence for companies, and price mechanisms to ensure adequate incomes for farmers.

#### Fair and sustainable textile supply chains

The textile industry, which employs millions of people worldwide, is typically characterised by poor working conditions and workers' rights violations on the one hand, and by its severe environmental impacts on the other. The urgency to address the many issues faced by textile industry workers -the majority of whom are women- has led the FTAO to focus on fair textiles as an EU advocacy priority.

Awareness raising campaigns: The FTAO has participated in awareness-raising campaigns, such as the Slow Fashion Day organised by Oxfam, in which our concrete role was to increase the impact of the campaign among policy makers.

Workshop on fair textiles: One of the concrete demands of the Fair Trade movement with regard to the textile industry is that the EU support fair public procurement of textiles at all levels. This call was echoed by the European Parliament (EP) in the resolution of 27 April 2017 on the EU flagship initiative on the garment sector (2016/2140(INI)). In order to advance towards that goal, the FTAO organised a workshop on fair textiles in June 2018.

The workshop took place in the context of the conference "From local to EU level: Scaling up Fair Trade in Europe" and brought together members of the European Parliament (MEPs), NGOs, technical experts, business, and civil servants to develop concrete ideas

on how to foster a fair EU public procurement strategy. Some of the findings of the workshop will be used to assess the further work of FTAO in the field.

Local authorities have a remarkable role to play in achieving EU-wide fair public procurement and the EU can play a role in bridging some of the obstacles they face. For example, uncertainty over whether there will be sufficient fair trade providers of certain goods could be solved by creating an EU-wide data base, while capacity limitations could be addressed through capacity building and the development of guidelines.

Sewing the pieces together: towards an EU strategy for fair and sustainable textiles. In order to keep on shaping the Fair Trade movement's policy asks in the field of textiles, the FTAO, together with Oxfam-Magasins du Monde and the World Fair Trade Organization-Europe, has commissioned the think tank ECDPM to conduct research on options for an ambitious and integrated EU strategy in support of fair and sustainable textile supply chains. This 'options paper' will offer guidance on concrete actions that the EU institutions could take to foster a fair textile industry, including through public procurement, trade strategy, and development programs.

This options paper will inform a shadow strategy on textiles which the FTAO, together with other NGOs, will elaborate as a proposal for a comprehensive EU textile strategy.



#### Competition law for people and planet

Competition law has played a key role in shaping modernday global food supply chains that are characterised by massive imbalances of power, unfair sharing of value, and the continuous struggle to produce cheap food. EU competition law has traditionally adopted a narrow understanding of "consumer welfare" which is reduced to the availability of a wide range of cheap and innovative products, disregarding the impact that the system has on people and the planet. It has become increasingly clear that competition law must be adjusted to fit the demands of an economy for the 21st century that respects planetary boundaries and upholds social foundations through living incomes and wages. The FTAO's work in this area has focused on how to better align EU competition law with the EU's commitments to sustainability and social justice.

Towards a Competition law framework that promotes sustainable supply chains that work for producers, consumers, and the planet: engaging the research community: Throughout 2018 Brot für die Welt (BFW) supported an FTAO work program aiming to identify and articulate of a set of concrete competition policy demands. In the framework of this project, FTAO organized workshops, webinars and a conference in December 2018 and commissioned a report to investigate the broken links between competition law and sustainability in food systems, which was published on February 2019.

Sciences Po conference on competition law and sustainability: A follow-up meeting took place at the Sciences Po in Paris in June 2019, where the FTAO co-hosted a conference involving PhD and master's students working on competition law and sustainability. The FTAO is also coordinating a joint high-level conference with experts which will take place in October 2019 in Brussels.



#### Promoting the uptake of Fair Trade at local Unfair Trading Practices Directive (UTP) in the level

Supporting role in EU City Award for Fair and Ethical Trade: 2018 was marked by the launch of the first edition of the EU City Award for Fair and Ethical Trade, an initiative of the European Commission's Directorate-General for Trade, to promote cities who champion more sustainable trade, consumption and production. The FTAO, a strong promoter of this initiative, participated in the selection of the winners as a member of the Jury. The City of Ghent won the award and five other cities received mentions.

Two day conference: 'From local to EU Level: Scaling Up Fair Trade in Europe': As part of the Award Ceremony for the EU City Award for Fair and Ethical Trade, the FTAO organised a two-day conference 'From local to EU Level: Scaling Up Fair Trade in Europe'. The aim was to facilitate exchange among local authorities and civil society organisations on how they are supporting Fair Trade, and to discuss what measures the EU could take to support the upscaling of local Fair Trade projects. The event was co-funded by the German organisation Engagement Global.

Report: 'From Local to EU Level: Scaling Up Fair Trade in Europe': Following the conference, the FTAO conducted research to identify the challenges and opportunities for local authorities to scale up the uptake of Fair Trade at local level.

#### **Promoting Fair Trade through EU delegations**

The EU Trade for all Strategy highlights the role of EU delegations in promoting fair and ethical trade schemes to small producers in third countries, building on existing best practice initiatives. The FTAO has been engaging with EU delegations in various countries to encourage them to implement concrete measures in their country.

#### Supporting role in EU delegations Fair Trade breakfast:

In 2018, the FTAO also facilitated the organisation of an annual Breakfast hosted by MEP Bernd Lange, where Heads of EU delegations shared their best practices. One notable example was a pilot project undertaken in Brazil involving a study and two stakeholder consultation events. The project aimed to promote Fair Trade schemes and create business opportunities between Brazil and the EU.

# agri-food sector

The FTAO has been advocating for a UTP Directive since before 2014. Since the European Commission (EC) issued such legislative proposal in April 2018, the FTAO has worked to ensure that it includes enforceability mechanisms, covers the most harmful trading practices, and applies also to non-EU farmers.

In particular, the FTAO has coordinated with civil society partners to set up common policy calls and developed a trusted relationship with EC officials. After the approval of a Directive that covers many of our main policy asks, the FTAO, in collaboration with key partners such as Traidcraft Exchange, has provided resources to the actors in the different Member States to monitor the transposition of the Directive.

#### European Parliament "The Fair Times" election campaign

One of the key successes of this period has been the election campaign in the lead-up to the EP elections.

The objective of the campaign was to raise awareness not only on Fair Trade, but also around sustainable consumption and production. It was a joint campaign, carried out in coalition with other European civil society organisation networks: The International Federation of Organic Agriculture Movements (IFOAM), the Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS), and International Cooperation for Development and Solidarity (CIDSE), which offered strong complementarity to the Fair Trade movement.

17 countries from the EU were involved in the campaign: Austria, Belgium, Cyprus, Czech republic, Finland, France, Germany, Greece, Italy, Netherland, Luxemburg, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, of which seven "new countries" were covered by partners receiving small grants (Cyprus, Greece, Portugal, Romania, Slovenia, Slovakia. (+ Poland)).

Around 30 organisations in total participated in the campaign.

The campaign involved engaging with EP candidates to ask them about their commitment to sustainable consumption and production. To support this, the FTAO, together with the other coalition civil society organisations, developed a fictitious newspaper from the future (instead of a traditional manifesto), in order to tell positive story and show that action is possible.

The campaign was focused on quality over quantity in the engagement with candidates, by encouraging true, personal and "active" commitment and having them actively push for action on sustainable consumption and production.

Of the 143 Candidates who made a commitment on SDG12, 60 were elected as MEPs across six political groups.

This is a first step towards a fruitful collaboration with MEPs to introduce legislation that will contribute to fair and sustainable supply chains during this new legislature.

# THE FAIR TIMES

Special Edition

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#### EU has become a global leader in sustainable consumption and production



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Opinion Editorial by the first female EP tupporteur on Sustainable Consumption and Production.

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# 2. GLOBAL FAIR TRADE MOVEMENT COOPERATION

### Launch of the New International Fair Trade Charter



On 25 September 2018 a new International Fair Trade Charter was jointly launched by over 350 International civil society, academia and private sector organisations and networks within and beyond the Fair Trade movement. This document revises and updates the 2009 Charter of Fair Trade Principles and provides an opportunity to restate the fundamental values of Fair Trade that unite the diverse range of organisations and networks that make up the global Fair Trade movement. The new Charter also seeks to highlight Fair Trade's longstanding role in addressing challenges such as inequality, gender rights, climate change and other aspects of the United Nations Sustainable Development Goals.

The new Charter offers a general explanation of the shared vision and values of the Global Fair Trade movement. It has three main aims:

1. To support the work of Fair Trade Organizations in raising awareness among consumers and citizens of the importance and impact of Fair Trade, so that more people will be inspired to join and support it.

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- 1. To support the work of Fair Trade Organizations in raising awareness among consumers and citizens of the importance and impact of Fair Trade, so that more people will be inspired to join and support it.
- 2. To facilitate collaboration among Fair Trade Organizations by connecting their specific missions and strategies with the common philosophy of the movement, and to promote collaboration with the solidarity economy, organic agriculture movements and others that fight for similar goals to the Fair Trade movement.
- 3. To enable others who work with Fair Trade Organizations (in government, academia or the private sector) to recognise the values and approaches that unite the global movement.

The FTAO played a key role in the drafting process and coordinated the process to translate and publicly launch the new Charter across the world in various languages. The text of the Charter, names of supporter organisations, and more information are available at Fair Trade.

#### **Fair Trade movement global cooperation**

2018 was a year rich in new partnerships for the Fair Trade movement, thanks inter alia to the work of the Fair Trade Advocacy Office.

Memorandum of Understanding (MoU) with the United Nations Conference on Trade and Development (UNCTAD): First and foremost, the FTAO, as a joint initiative of Fairtrade International and World Fair Trade Organization (Europe and Global) signed a Memorandum of Understanding (MoU) with the United Nations Conference on Trade and Development (UNCTAD) on 19 October 2018 in Madrid, Spain. In doing this, the Fair Trade movement and UNCTAD stated their

intention to join forces to improve the living and working conditions of artisans, workers and smallholder farmers and producers in Africa, Asia and Latin America. Since signing this agreement, the FTAO has facilitated close cooperation of the Fair Trade movement with UNCTAD officials and programmes.

Strengthening partnerships with civil society and private sector actors: In 2018, the FTAO also focused on strengthening partnerships with fellow civil society and private sector actors. For example, the FTAO facilitated closer alignment of work with the International Cooperative Alliance (ICA) and with the Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS). This will result in specific joint advocacy work and closer cooperation with these sister networks.

#### The Fair Trade International Symposium

Since its first edition in 2002, the Fair Trade International Symposium (FTIS) has evolved to become the preeminent academic conference and international meeting for scholars, practitioners, and policymakers working in the area of Fair Trade. This symposium provides a unique platform for academics and practitioners to exchange ideas, build and consolidate networks, develop projects, and identify new areas of research.

The Portsmouth Business School (United Kingdom) hosted the 2018 edition of the FTIS entitled: "Fair Trade and the SDGs: Investigating the fairness of sustainable development". The symposium took place from 26 to 28 June 2018 in Portsmouth.

The FTAO, as member of the FTIS Steering Group, is currently leading a process to identify the hosts for the next edition in 2020.

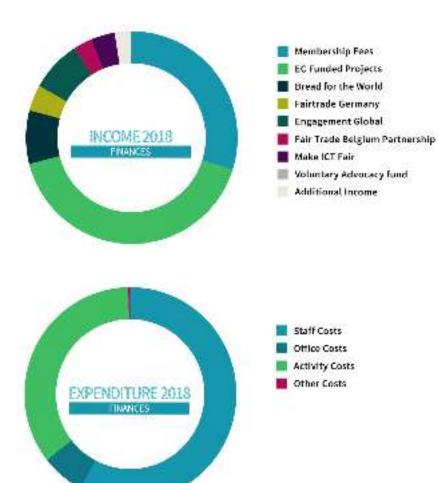
# 3. CAPACITY BUILDING FOR THE GLOBAL FAIR TRADE MOVEMENT

Producing advocacy guides for the Fair Trade movement: The FTAO contributes to the strengthening the capacities of the members of the World Fair Trade Organization (Europe and Global) and Fairtrade International on public policy advocacy and the role of governments in achieving the Fair Trade movement's mission. In 2018, we produced a "Fair Trade advocacy guide" and "advocacy good practices", containing guidance and case studies on Fair Trade movement advocacy work across the world.

Capacity-building webinars: With the same objective, in the context of the EC-funded Trade Fair Live Fair project, the FTAO also organised more than 10 capacity-building webinars for Fair Trade movement and its allies. The topics covered ranged from learning about the negotiations towards a possible United Nations Binding Treaty on Business and Human Rights, to understanding the role of EU delegations in the Global South and how Fair Trade organisations can engage with them, to the learnings that the Fair Trade movement can draw from the abolitionist movement.



#### **FINANCES**



Total Income	€ 358,047
Additional Income	€ 9,462
Make ICT Fair	€ 13,750
Fair Trade Belgium Partnership	€ 10,000
Engagement Global	€ 28,598
Fairtrade Germany	€ 14,039
Bread for the World	€ 29,365
EC Funded Projects	€ 146,132
Membership Fees	€ 106,701

Total Costs	€ 371,456
Other Costs	€ 194
Activity Costs	€ 131,675
Office Costs	€ 25,491
Staff Costs	€ 214,097

#### **FTAO TEAM (2018-2019)**

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#### **Read more**

- From local to EU level: Scaling Up Fair Trade in Europe
- EU Competition Law and Sustainability Addressing the Broken Links
- Towards sustainable cocoa supply chains: Regulatory options for the EU
- The International Fair Trade Charter
- Power to West African cotton farmers position paper
- Localising the SDGs through Fair Trade toolkit

Download these and other FTAO publications from www.fairtrade-advocacy.org





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