



**‘NO FUTURE
WITHOUT
CLIMATE,
SOCIAL AND
TRADE
JUSTICE’**

YFTA POLICY RECOMMENDATIONS

SOLVING THE GLOBAL-ECOLOGICAL-FAIR TRILEMMA

45 PROPOSALS FROM THE YOUTH FOR EU POLICY TO
ENABLE A GLOBAL, FAIR & ECOLOGICAL TRANSITION



OUR FUTURE, OUR VOICE

We are the Young Fair Trade Advocates for a global, fair and ecological transition (YFTA).¹ We are a diverse group of young individuals with ambitions and goals for our future. However, alarm bells are ringing in our heads as we see a desperate need to reform the current socio-economic system that is endangering the lives of billions of people.

We all share the common goal of reversing some of the damage caused by previous generations. We want to live in a world that isn't solely driven by profit, but one that respects diversity and marginalised people and that fully comprehends the impending climate "disaster".

We recognise that we are privileged to be able to gather together and directly communicate with you (policymakers), who have a tangible impact on thousands of lives.

For us, it is obvious that a transition to a more environmentally-friendly system cannot be achieved without acknowledging the stark social and economic disparities between different parts of the globe.

This begs the question:

How can the most vulnerable people (who as it is, cannot even support themselves and their families) be expected to engage in the ecological transition without receiving proper support?

This is our future; this is our voice. These are our recommendations that we would like you to translate into action. With your decisions and our voice, we would like to contribute to a fairer and more sustainable future.



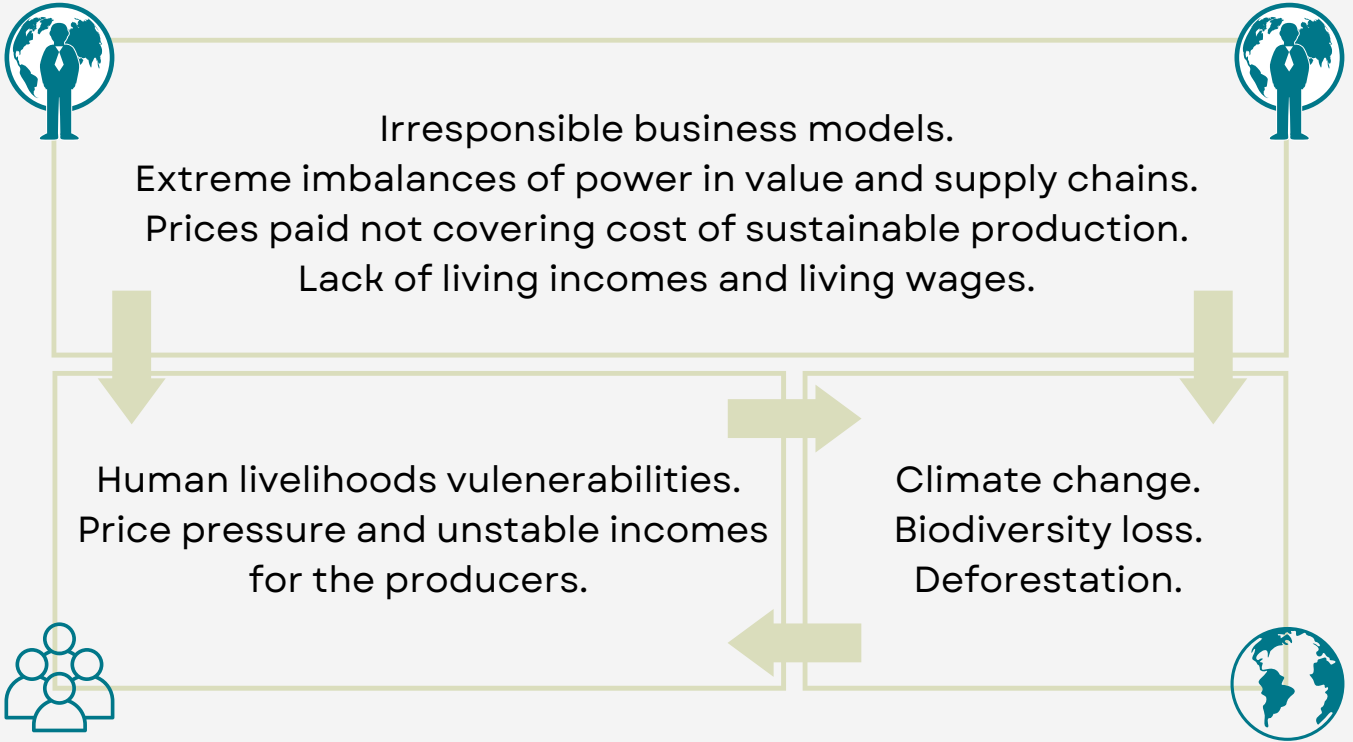
1. A programme launched by the Fair Trade Advocacy Office (FTAO) to gather youth from all over the European Union to deepen political knowledge on Fair Trade issues and to engage with the European Parliament.



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WHY A GLOBAL, FAIR AND ECOLOGICAL TRANSITION?



PUTS US FURTHER FROM ACHIEVING



While in the aftermath of COVID-19 pandemic, the focus was to *build back better*,² it has now shifted to the *just transition*.³ However, are the policies that would enable a just transition currently in place? Are there structural challenges blocking the just transition?

There is a very clear imperative for an **ecological** transition. It is vital that this transition takes a holistic approach to all sectors and all industries, paving the way for a new socio-economic model that adequately responds to environmental challenges, while tackling issues of climate, social and trade justice.

There is a need to rethink the way we live, produce, trade and consume, in order to reduce our environmental and socio-economic impact.

The ecological transition also needs to be a **fair** transition. This means that those in weakest position in value and supply chains must not be solely responsible for bearing the cost of the transition. On the contrary, large companies and buyers, who have greater bargaining power, financial resources and decision-making power must play a proportionate role in enabling the transition.

Lastly, the **ecological** and **fair** transition needs to be **global**. The EU is inextricably linked to partner countries through the trade of goods and services, and its approach to sustainability must therefore be global. If the EU adopts an inward-looking approach to the transition and ignores the challenges of those working at the beginning and the very end of the supply chain, it will be going against its own priorities and values. On the contrary, as a key global player, the EU has the potential to catalyze a global and fair transition through its own policies and cooperation with partner countries.

Enabling a global, fair and ecological transition will also contribute to the achievement of **climate justice, social justice** and **trade justice**.

The EU already has a toolkit composed of different initiatives, policies, legislations and regulations that, if properly designed and implemented, could contribute to enabling the global, fair and ecological transition.

The present document presents **an overview of recommendations for the EU to act according to existing instruments**, divided in two main categories: EU trade policy tools and trade-related measures.



2. <https://www.un.org/en/coronavirus/building-back-better-requires-transforming-development-model-latin-america-and-caribbean>

3. <https://www.ebrd.com/what-we-do/just-transition>



The relevance of smallholder farmers

Smallholders form the backbone of the economy in many producer countries. About 500 million farms worldwide (84% of the total) are smaller than two hectares, which is the estimated agricultural area of small-scale farms. These farmers are responsible for producing a third of the world's food supply and play an important role in several global value chains.

Smallholders' important role in achieving sustainable development and food security is increasingly recognised in international policies such as SDG Target 2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, Indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment.





THE LEVERS FOR CHANGE

To successfully address the climate change crisis and guarantee a sustainable future for everyone, there is the need to:



Support the agroecological transition

Achieve climate justice

Ensure living incomes and living wages

This shall be done through the realization of the following objectives:

- Inclusion of smallholder farmers, workers and artisans in climate solutions as the global focus on the climate crisis intensifies
- Enforcing transparency and accountability in supply chains
- Securing climate financing mechanisms
- Ensuring living incomes and wages for the world's smallholder agricultural farmers, workers and artisans
- Paying fair value, fair prices and adhering to fair trading practices to ensure producers have the resources to make the investment needed for climate adaptation and mitigation
- Integrating global citizenship education from primary levels onwards



What are living incomes and living wages?

Living income usually refers to what independent people such as small farmers earn through the sale of their products and services, while living wages relate to employees and workers (including farm workers).

Whilst they are two different concepts, both have the same basic aim: to receive sufficient remuneration from work, to ensure a decent and dignified life for oneself and one's family as stated in Art. 23 UDHR and established through other internationally accepted human rights instruments.

Being paid less than a living wage or receiving very low prices for products, means that workers and farmers are unable to cover basic needs leading to inadequate nutrition, health services, housing, social security and education.





SOLVING THE TRILEMMA: EU ACTION TO ENABLE THE GLOBAL, FAIR AND ECOLOGICAL TRANSITION

Why should the EU play a key role in enabling the global, fair, ecological transition?

On one hand, the EU is a major trading partner: it is the world's largest trading bloc, the top trading partner for 80 countries and has 130 trade agreements in place, with some still pending or in the process of being adopted or negotiated.⁴ This gives the EU leverage to reshape our trading systems and make them truly fair and sustainable.

On the other hand, the EU is committed to supporting democracy and human rights in its external relations, in accordance with its founding principles of liberty, democracy and respect for human rights, fundamental freedoms and the rule of law.⁵

This impacts all EU institutions, especially the co-legislators.

Therefore, **the European Parliament as a representation of the people's interests and their role in ensuring democratic accountability⁶ is more relevant than ever.**

The EU as a whole already has a toolkit composed of different initiatives, policies, legislations and regulations that, if properly designed and implemented, could contribute to enabling the global, fair and ecological transition.



HERE ARE OUR RECOMMENDATIONS:

Recommendations for EU trade policy

The EU's main tools for enabling global, fair and ecological transition



Globalisation and international trade can help economies grow; but they can also undermine human rights, labour rights and environmental rights. The EU is committed to fostering sustainability and justice across all of its policies.⁷ Therefore, EU trade policy should be a tool to promote and protect human, labour, and environmental rights.

This will require the EU to redesign its trade tools, its practices and pricing mechanisms, and to place the ecological transition, farmers' incomes, and workers' wages at the centre of its objectives.

In turn, this also means rethinking the current EU trade agreement model that puts profit at centre-stage, often without considering the goods being traded, or the overall social and environmental impacts caused by trade practices.

Environmental policy discourse cannot focus solely on the green energy transition for the EU. **The new environmental model must also ensure that value remains in partner countries and that trade agreements contribute to the achievement of sustainable development around the globe.**

Rethinking trade systems and trade agreements also involves prioritizing the resilience of smallholder farmers, workers, and artisans; this means protecting them against the detrimental effects of climate change and other environmental challenges, and through the transfer of knowledge and financial assistance for adaption and mitigation purposes.



Trade agreements



Trade and Sustainable Development Policy



Sustainable food system chapters



Multilateral agreements



GSP



Green alliances

The EU and partner countries must uphold the 'polluter pays' principle, the 'common but differentiated responsibility' and the 'precautionary principle' by embedding them in a binding and enforceable fashion throughout trade agreements.⁸

The **EU shall maintain permanent dialogue and cooperation with partner and third countries so as to enable the transition to agroecological practices.** This means recurring to multilateral and/or bilateral efforts before introducing unilateral and autonomous measures that impose EU sustainability standards without accounting for the reality on the ground in countries outside the EU, or the need for support the transition and comply with higher sustainability standards in non-EU countries.

Finally, the EU has the role of enabling citizen-led social innovations such as Fair Trade initiatives. For EU trade policy to be fair and sustainable both top-down and bottom-up approaches must be applied.

4 www.europarl.europa.eu/factsheets/en/sheet/160/the-european-union-and-its-trade-partners https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/negotiations-and-agreements_en

5. www.europarl.europa.eu/factsheets/en/sheet/165/human-rights
Legal basis: article 2 TEU, article 3 TEU, article 6 TEU, article 21 TEU, article 205 TFEU
6. <https://www.europarl.europa.eu/about-parliament/en/home>
7. https://trade.ec.europa.eu/doclib/docs/2021/april/tradoc_159541.0270_EN_05.pdf
8. https://oi-files-d8-prod.s3.eu-west-2.amazonaws.com/s3fs-public/2022-03/Oxfam%20Position%20Paper%20on%20Fair%20Trade_EN.pdf



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Recommendation 1

EU trade relations, trade agreements, trade policy instruments must prioritise the achievement of environmental, social and economic sustainability, while also addressing issues of gender equality.



Recommendation 2

Sustainable development commitments shall be anchored throughout the texts of trade agreements, through binding language, actionable and enforceable provisions and with sanctionable standards on deforestation, climate; environment, human and labour rights, agriculture and animal welfare.



Recommendation 3

The new approach to Trade and Sustainable Development ('TSD') should be applied in future agreements but also to agreements under negotiation, pending ratification and for agreements already in force. This is particularly relevant for undergoing negotiations and ratifications of trade agreements with Chile, Mexico, Mercosur, India, etc.



Recommendation 4

Serious violations of Human Rights conventions should also be considered during the application of the 'essential elements' clause in trade agreements and, thus, allow to suspend elements of trade agreements in the case of serious breaches against Human Rights and ILO conventions and the Paris Agreement.



Recommendation 5

Adhering to the Paris Climate Agreement as well as the Convention on Biological Diversity should be binding preconditions to signing any trade agreements. Connectedly, the announced roadmaps for implementation of TSD commitments shall include specific and ambitious commitments for effective implementation of the Paris Agreement. There should be conditionality with regards to fundamental multilateral environmental and climate agreements.



Recommendation 6



The EU and partner governments shall conduct trade negotiations in a transparent and inclusive manner. EU and national Parliaments should be included in the process in a meaningful way. Civil society shall play an important role in assessing sustainability and human rights impacts of the agreements.

Recommendation 7



The governance of any trade system should be based on evidence and with continuous sustainability and human rights impact assessments, to understand the effects of trade on people and the planet. These assessments shall be gender and power sensitive. Any trade or trade-related configuration should include an accessible and functional grievance mechanism for workers and producers, which provides timely and rigorous resolution to complaints or disputes.

Recommendation 8



Sustainable food systems chapters shall reflect the objectives of the new Trade and Sustainable development policy. They shall include binding language, and actionable and enforceable provisions. They should also be part of a general dispute settlement mechanism. Emphasis should not be placed exclusively on environmental sustainability and animal welfare, but also, on prices covering the cost of sustainable production and the achievement of living incomes and living wages throughout global agri-food supply and value chains. The European Parliament has an opportunity to adopt these approaches in the proposed chapters with Chile, India and Indonesia.

Recommendation 9



Proposals such as the 'Economic Pact for Sustainable Cocoa' that present an opportunity to reach an agreement with producer countries on key issues that involve prices and living incomes for smallholders, and other sustainability issues, should be taken up by the EU.

Recommendation 10



Partnership agreements and strengthened cooperation mechanisms with producer countries should be established in order to support them in developing an enabling environment and preparing for the effective implementation of upcoming EU legislation. This shall ensure a participatory and inclusive approach, involving local civil society and smallholder farmer representatives.



Recommendation 11



As compliance with new environmental and wider sustainability standards can be challenging for smallholder farmers, the development of international minimum environmental standards, similar to the Codex Alimentarius, shall be further pursued. By the same token, the EU should introduce provisions in trade agreements to expressly promote social and economic sustainability. This can consist of rules to ensure living wages for producers, adjusted to the level of development of partner countries, ultimately to promote upward convergence.

Recommendation 12



As the European Parliament has called for, the EU should promote Fair Trade initiatives through EU programmes involving young people and the private sector, in external action in general, in the implementation of TSD chapters, through EU delegations, and by rewarding best practices and facilitating knowledge exchange among local, regional and national authorities, civil society, schools and universities in the EU, including through the extension of the 'EU Cities for Fair and Ethical Trade Award' to schools and universities and the setting up of an annual fair trade week hosted in Brussels by the Commission.⁹



HERE ARE OUR RECOMMENDATIONS:

Recommendations on EU trade-related policies

The EU's main tools for enabling global, fair and ecological transition

Trade policy and trade agreements are not the only tools the EU has at hand to enable the global, fair and ecological transition to a new economic and social model.

There is a full array of trade-related instruments that the EU has already announced or introduced and that- if carefully designed- can bring about positive change for smallholder farmers, workers and artisans globally, by focusing on businesses' practices, trading conditions and purchasing practices. Many companies are simply continuing to operate at business as usual. Many of the businesses that dominate our global trade systems aren't putting people at the heart of their businesses, and are failing to address their environmental impact.¹⁰

Unilateral, trade-related measures such as the regulation on deforestation-free products and the ban on products involving forced labour cannot be seen as end measures in themselves; these instruments must be supported by accompanying measures that address the root causes that give rise to these problems in the first place.

Businesses must pay fair value, fair prices, and adhere to fair trading practices to ensure that producers have the resources to make the investments needed for climate adaptation and mitigation.

This includes ensuring that the costs of complying with current and future environmental and climate legislation is not pushed down to producers through lower prices for the products they offer, and lower wages for workers. The transition towards green and renewable energies for EU countries cannot threaten fundamental rights in global supply chains.



Recommendations on EU trade-related policies



CBAM



Ban on products involving forced labour



Regulation on deforestation-free products



Unfair Trading Practices Directive



Sustainable food systems framework

These threats can arise in the context of delivering the resources and technology necessary for decarbonisation, a fact often overlooked by European countries relying on resources extracted overseas for the green transition.¹¹

Smallholder farmers, workers and artisans shall be able to contribute to the design and implementation of national and local climate change adaptation and mitigation policies. They shall benefit from measures that ensure a decent standard of living and a sustainable living environment, where, for instance, no hazardous substances or practices endanger their rights, and where particular attention should be paid to the circumstances of vulnerable groups (such as women, migrants and workers with precarious contracts) and the need to combat child labour.

EU trade-related measures must consider the reality on the ground in third countries that trade with the EU. That does not simply mean the EU imposing compliance with EU requirements for placing products in the EU market, and where smallholders are forced to bear a disproportionate burden for compliance. Rather, smallholder farmers should be guaranteed an adequate price for their sustainable products and should receive structural support to lift themselves out of poverty before needing to meet EU requirements.

⁹ https://www.europarl.europa.eu/doceo/document/A-9-2021-0190_EN.html

¹⁰ <https://www.politico.eu/article/the-climate-crisis-is-a-hunger-crisis/>

¹¹ <https://www.etui.org/publications/why-eus-patchy-just-transition-framework-not-meeting-its-climate-ambitions>



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Recommendation 13



The EU shall deliver a smart and comprehensive mix of demand and supply-side measures to halt deforestation, forest degradation and the destruction of other ecosystems. This also includes measures to involve and support smallholders.¹² Remedies shall be introduced in EU trade-related policies, and they should be considerate of gender inequality.

Recommendation 14



EU trade-related mechanisms shall, from the outset, secure sufficient financial resources and technical support for compliance with the new EU requirements, in order to ensure a just transition in third countries that may face significant immediate adaptation challenges due to lack of capacity. These support measures should be put in place in the early stages, prior to the full implementation of the diverse regulations or mechanisms, and should be coupled with other measures such as trade incentives, that can foster the transition towards sustainable practices, in line with EU requirements.

Recommendation 15



Effective and robust obligations to prevent and end adverse human rights and environmental impacts across the entire value chain should be introduced, in a risk-based and proportionate manner (that takes into account the capacities of actors in a weakest position). This should also emphasize the implementation and monitoring, evaluating, accounting and learning processes to effectively comply with the obligations, ensuring a fair share of compliance costs.

Recommendation 16



Stakeholder engagement should be at the heart of all trade-related mechanisms introduced by the EU. Specifically, this stakeholder engagement should consider gender inequality and the ways in which trade impacts women and girls across different sectors. Meaningful and ongoing engagement should be introduced, including mandatory and proactive consultation with workers, trade unions, local community members and other relevant or affected stakeholders.

Recommendation 17



Companies shall be required to map their entire value chains and business relationships, as well as publishing relevant information pertaining to human and labour rights and environmental impacts.

¹² <https://fairtrade-advocacy.org/wp-content/uploads/2021/09/Briefing-paper-Including-smallholders-EU-action-final.pdf>



CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE ('CSDDD')



Recommendation 18



Rules on corporate sustainability due diligence cannot simply result in companies offloading the costs of compliance to the most vulnerable actors in the supply chain. Rather, these rules must cause companies to demonstrate improved behaviour, as well as better trading conditions and payments for their suppliers that go beyond 'tick-the-box' exercises. Companies must be explicitly required to address the risks and adverse impacts of their own purchasing practices.

Recommendation 19



Core provisions of the CSDDD must ensure that companies implement policies and practices that can contribute to an income for smallholders and communities in global value chains. A specific provision on living income must be included in Part I A of the Annex, in reference to the right to an adequate standard of living. Similarly, the right to a 'living wage' and 'living income' shall be included as a human right in the Directive requirements.

Recommendation 20



Co-legislators must address the climate emergency as an immediate duty, and thus require companies to address climate change risks and impacts in their value chains. Companies must also have concrete obligations to develop and implement an effective transition plan in line with the Paris Agreement, including absolute emission reduction targets for the short, medium and long-term. fair share of compliance costs.

Recommendation 21



The European Parliament and EU Member states must bring SMEs within the scope of the proposed Directive. Gender inequality must be included in all steps of the due diligence process.



PROHIBITION OF PRODUCTS MADE WITH FORCED LABOUR IN THE EU MARKET

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Recommendation 22



The objective of the instrument shall be the need to eradicate forced labour as a systemic issue, and addressing the root causes that lead to forced labour. This goes beyond simply restricting these products on the market.

Recommendation 23



This instrument shall be put in place and applied within a holistic framework of complementary EU policies, particularly in connection with the Corporate Sustainability Due Diligence and within commitments in Trade and Sustainable Development chapters in trade agreements.

Recommendation 24



To address root causes such as poverty, and to acknowledge the role of living wages for workers and living incomes for smallholders. To address these issues, legislation should pay particular attention to the impact of purchasing practices.

Recommendation 25



Workers, especially in the informal sector, are the actors most affected by forced labour and thus, remedies should be introduced to alleviate the harm they have suffered. Remedies may include non-financial (apologies, restitution, public disclosure of information on supply chains down to farm level, or requiring companies to establish long-term contracts with cooperatives and smallholder farmers in high-risk areas of forced labour) and financial compensation (a workers' fund, requiring companies to pay living incomes and living wages, for example).

Recommendation 26



The burden of proof for ensuring products are not made with forced labour should fall on the economic operators responsible for placing products in the EU market, and should include clear provisions so that the transfer of cost of compliance does not move further down the supply chain. EU companies should not offload the cost of compliance to non-EU suppliers, producers or smallholder farmers, and should be obliged to address issues of forced labour in their supply and value chains rather than simply changing their suppliers.

Recommendation 27



The instrument should also cover services obtained through use of forced labour, such as forced prostitution, begging, domestic work and hospitality, while making sure that there is a clear definition of forced labour included in the proposal, and that it refers to 'all work or services'.



REGULATION ON DEFORESTATION-FREE PRODUCTS

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Recommendation 28



The EU must take into account the characteristics of smallholder intensive sectors covered by the Regulation such as cocoa or coffee, and the underlying direct or indirect drivers of deforestation caused by smallholders, often linked to poor land and forest governance, lack of access to land, income, information, finance opportunities, markets and social justice.¹³

Recommendation 29



The regulation shall recognize the rights and roles of smallholders and local communities as part of the systemic solution to effectively reduce global deforestation and forest degradation rates while cleaning up EU supply chains.

Recommendation 30



Smallholder inclusive due diligence requirements for companies should be put in place. This would require companies to meaningfully engage with local stakeholders and support greater compliance from smallholders from whom they source, including through a fair remuneration that shall effectively cover the cost of sustainable farming practices.

Recommendation 31



The EU should develop a coherent and time-bound framework strategy for Partnerships with producer countries, linked to strong economic and trade incentives that would help create the business case for deforestation-free production paths.



CARBON BORDER ADJUSTMENT MECHANISM ('CBAM')

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Recommendation 32



The CBAM should not fall short on climate ambition and should properly address the most vulnerable countries that can be negatively impacted by it. ¹⁴ As well as recognizing the social impacts of decarbonisation beyond the EU and the need of decarbonization efforts to ensure respect for human and environmental rights, particularly in the Global South.

Recommendation 33



To ensure the EU increases its contribution to the climate-resilient development as well as the decarbonisation of developing countries, all CBAM revenues should be channelled towards international climate finance and support for developing countries.¹⁵

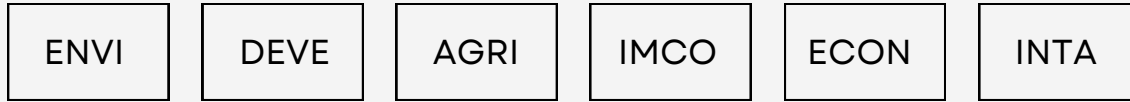
Recommendation 34



The CBAM should therefore be accompanied by diplomatic efforts, financial support, and cooperation in the form of concrete practical assistance such as active knowledge and technology transfer to encourage and support trading partners to speed up their efforts towards climate mitigation and adaptation.¹⁶



UNFAIR TRADING PRACTICES DIRECTIVE



Recommendation 35



The evaluation of the Directive 2019/633 shall result in legislative proposals to: include a comprehensive ban on unfair trading practices ('UTPs'), a ban on selling below cost of production, protect suppliers against retaliatory de-listing, ban the use of double race auctions and ban UTPs that arise due to economic dependence.

A ban on selling below cost of production is particularly relevant as it can have a direct impact on achieving living incomes for smallholder farmers, thus transforming the UTP directive in the agri-food supply chain into a direct tool that improves the livelihood of both non-EU and farmers, and EU farmers.

Recommendation 36



The EU shall initiate and develop a regulatory approach tackling Unfair Trading Practices more broadly, particularly on the garment sector and in textile and clothing supply chains. In addition to the banning of UTPs (such as late payments, unilateral changes, negotiating unreasonable low prices, last-minute cancellation of orders), Member States could add practices that are specific to the garment sector, such as below-cost selling, last-minute confirmation or changes of samples/technical orders, excessive levels of sampling, unreasonable penalties for late deliveries, such as expensive premium airfreight shipments, etc.¹⁷

¹³ <https://fairtrade-advocacy.org/wp-content/uploads/2021/09/Briefing-paper-Including-smallholders-EU-action-final.pdf>

¹⁴ <https://carbonmarketwatch.org/2022/01/20/how-to-make-the-eus-carbon-border-tax-effective-and-fair/>

¹⁵ <https://carbonmarketwatch.org/wp-content/uploads/2021/12/Joint-NGO-statement-on-CBAM-proposal-final.pdf>

¹⁶ <https://carbonmarketwatch.org/wp-content/uploads/2021/12/Joint-NGO-statement-on-CBAM-proposal-final.pdf>

¹⁷ https://news.industrialall.europa.eu/documents/upload/2021/9/637684400585561764_210106%20Draft%20Leveraging%20UTP%20transposition_20210927.pdf



SUSTAINABLE FOOD SYSTEMS FRAMEWORK INITIATIVE (FARM TO FORK STRATEGY)

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Recommendation 37



The EU shall implement public policies that strive for fair, accessible and sustainable food systems that promote and protect human rights. It will also provide tools for climate change mitigation and adaptation, as well as for a transition to agroecological practices, including agroforestry. This legislative framework shall holistically embrace environmental, social and economic dimensions of sustainability and will take a global approach, rather than a strictly EU-centred approach.

Recommendation 38



The objectives of the initiative shall go beyond the principle of 'do no harm' to third countries and positively contribute to the achievement of sustainable development in partner and third countries. EU policies related to food systems shall not undermine food sovereignty in countries in the Global South. In partnership with third countries and in consultation with relevant stakeholders, the EU shall develop public policies at local, regional and international level to advance and protect the right to adequate food, food security and food sovereignty.

Recommendation 39



The impact of this proposal, particularly on smallholder farmers outside the EU, must be assessed prior to implementation of the initiative, as they shall be pressured to adapt their behaviour over a short period of time or have their products excluded from the EU market.

Recommendation 40



Pesticide use should be revised and gradually eliminated, but this must take into account reality on the ground, whereby smallholder farmers and workers may need to use pesticides to mitigate the effects of climate change. The EU shall revise the coherence in continuing the export of substances that are prohibited in the EU.

Recommendation 41



EU policies connected to agri-food shall address the economic drivers of unsustainable farming practices, biodiversity loss, food waste, dietary shifts, environmental and land degradation, pesticide use, etc., as well as promoting and facilitating the urgently needed changes with respect to international trade (e.g. border adjustment agreements), climate change, rural development and food policy.

Recommendation 42



As part of policy initiatives developed under Farm to Fork strategy and particularly the sustainable food systems framework, the EU must address the lack of living incomes, as this goes on to feed negative cycles of extreme poverty, which is one of the root causes of child labour and unsustainable farming practices, among other global social and environmental challenges.

THE ROLE OF SOCIAL ENTERPRISES

Understanding the fact that most unsustainable practices are a result of powerful buyers and retailers squeezing their producers and suppliers and practicing harmful agroindustry methods in the pursuit of ever-increasing profits, we recognise that alternative business models are crucial for more sustainable production and consumption patterns.

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Recommendation 43



Social enterprises and socially-led business models should be further promoted at EU level through concrete incentives such as tariff preferences or tax reductions on produce coming from socially-led business models.

Recommendation 44



The EU and Member States shall prioritize the promotion of socially-led business models in trade policy and trade agreements as well as in business promotion.

Recommendation 45



As called for by the European Parliament, the Commission and the European External Action Service should promote the social economy internationally. It could do so by increasing the visibility of the social economy through the external dimension of EU policies, inter alia, by acknowledging and including its specific nature in future association agreements, providing information and training on the social economy to EU delegation staff, and by assessing how such actions can contribute to the development of the social economy in third countries.¹⁸



SHARED RESPONSIBILITY

Global challenges cannot be mastered by governments alone. A new understanding of global cooperation is needed¹⁹, in which businesses, civil society groups, farmers and producers and citizens- as well as governments- must play their part.

Citizens

Citizens wield the power of the people. Citizens shall stand up against injustices in global supply and value chains, or any policy that does not contribute to achieving climate, social and trade justice. Citizens must occupy their roles as voters, activists, consumers, workers and members of society. Citizens, in their role as consumers, can introduce an impactful change in pushing demands towards truly sustainable production and consumption.

Citizens, as members of society, can have a meaningful role in implementing sustainable development commitments agreed by the EU and partner countries through participation in Domestic Advisory Groups, for example.

These actors have shown an interest in transitioning to more sustainable practices, for example by adopting organic farming methods and/or committing to the adoption of Fair Trade practices. The decision of producing in an eco-friendly and socially-conscientious way is a basis for thriving societies. Nevertheless, smallholders often carry the heaviest burden within unequal, globalised supply chains. Moreover, smallholder farmers, producers, artisans and workers, should be supported as organisers of just alternatives and they should engage in an activist struggle to challenge and change these power imbalances, particularly the lack of fair prices paid for sustainable production and the consequent lack of resources to transition to agroecological practices.

Smallholder farmers, producers, artisans and workers.

Smallholder farmers are responsible for producing 1/3 of the world's food supply²⁰ and play a fundamental role in several global value chains.

Smallholder artisans that produce handicrafts and other manufactured goods often work as self-employees, and are sometimes organised in groups of various sizes. They generally own the production facilities and sell their goods to downstream actors but operate as very small enterprises or as self-employees, which puts them in a disadvantaged position.





Private sector

Companies with mainstream business models shall incorporate environmental, social and economic sustainability and climate action into business models. To ensure fair and sustainable production and consumption patterns, there is a need to protect and scale up sustainable and socially responsible business models so that they can become the norm.

This will also require due diligence procedures and trade relationships in which all parties are on a level playing field. It will require business practices to be aligned with human rights and planetary boundaries. Such a shift implies an overhaul of the conventional business-as-usual model towards mission-driven models with stakeholder ownership and democratic governance, and where companies are accountable and liable to the social and environmental consequences of their behaviour.

Governments and decision makers

Governments shall put in place public policies and effective measures for transparency and accountability across global supply and value chains. Such measures will address the root causes of human rights violations, lead to a real shift in companies' practices, will aim at living income and living wages for all actors in the supply chain, and will hopefully bring about positive change on the ground for smallholder farmers, artisans and workers.

More context-specific solutions are required in which all actors take ownership of their responsibilities.



18 https://www.europarl.europa.eu/doceo/document/TA-9-2022-0288_EN.pdf

19 <https://www.giz.de/en/aboutgiz/74786.html>

20 FAO.(2021) Small family farmers produce a third of the world's food.

Available at: <http://www.fao.org/news/story/en/item/1395127/icode/>



WHAT THE EUROPEAN PARLIAMENT CAN DO

What is stated in this document is meant to exemplify existing tools available for the EU to enable the global, fair and ecological transition. The recommendations provided, can be the basis for parliamentary demands and can be used as arguments in the ongoing debates and negotiations in the various ongoing EU legislative and policy-making processes to which this document refers to.

We, the youth, call on MEPs to take up these recommendations and fight for their realization, as these are the only ways that you can give a voice to our fight for a fair and ecological transition.



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