

PRESS RELEASE

THE FAIR TRADE MOVEMENT PRESENTS ITS VIEWS ON THE NEED FOR A TRULY GLOBAL GREEN DEAL

Brussels, 19th June 2023 – The Fair Trade Advocacy Office (FTAO), in partnership with Fairtrade International (FI) and the World Fair Trade Organization (WFTO), has released today its paper "Transforming the European Green Deal into a Global Green Deal – the role of Fair Trade". The paper calls on the European Commission to work on transforming the European Green Deal into a Global Green Deal, by repositioning the role of trade and business models. This will decrease the externalities of the existing EU policies, in favour of people and planet all around the globe.

According to the signatories, it is high time to assume responsibility for the impact the European way of life has on other countries and, in particular, on those in the Global South. The ever-continuing EU demand for diverse material resources and a range of manufactured products creates significant negative spillover effects in many producing countries. Notable examples are environmental and biodiversity damages (the EU is responsible of 10% of deforestation), unacceptable working conditions, fatal accidents and a large proportion of outsourced greenhouse gas emissions. It is estimated that 40% of the total EU emissions are generated outside the EU borders in producing goods and services that satisfy EU consumers' demands¹. The paper recognizes that the current European Green Deal rightly addresses some of these spillover effects, notably through its approved Carbon Border Adjustment Mechanism (CBAM) and Deforestation Regulation, but that there is an absolute need for more comprehensive and structural measures.

Eric Ponthieu, the FTAO's Strategy Director, said: "The Fair Trade Movement can draw on decades of experience in establishing social and environmental justice through trade, both regionally and internationally. Promoting Fair Trade and regenerative business models is the best way to ensure more consistency between the European Green Deal and the EU development policy, in line with the Policy Coherence for Sustainable Development²."

The paper draws policy makers' attention to the fact that the EU cannot afford to disregard global sustainability and the 17 Sustainable Development Goals (SDGs) while addressing climate change. Leida Rijnhout, WFTO Chief Executive, said: *"There should be full coherence in terms of adequate policies, objectives, rights and responsibilities between European and non-European countries, hence a Global Green Deal to intertwine the global dimension with the European policies. Fair Trade Enterprises are a powerful driver of system change, they are the building block of a new, sustainable economy".*

The signatories highlight that mainstreaming Fair Trade approaches and FT enterprises in the Global Green Deal can lead to multiple benefits and facilitate the achievement of the 2030 SD Agenda. Sophie Aujean, FI Director Global Advocacy, said: *"Smallholder farmers and workers are increasingly under pressure due to the impacts of the climate and inflation crises. The Fair Trade movement not only provides fairer prices to small producers, it also promotes sustainable farming practices, diversification of livelihoods, it supports farmers and cooperatives in adding value to products and it is working with businesses and governments committed to sustainability."*

The FTAO, FI and the WFTO will work together to promote more responsible trade and businesses, sustainable consumption and production patterns as well as social and environmental justice by calling upon the integration of Fair Trade principles and the role of Fair Trade Enterprises into a fully-fledged Global Green Deal.

¹ <u>Microsoft Word - GCS Index 2021 Report 2021-11-26 (cdn-website.com)</u> ² <u>Management of policy coherence for sustainable development - Publications Office of the EU (europa.eu)</u>

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Press contact:

Fair Trade Advocacy Office (FTAO) Eric Ponthieu Strategy Director <u>ponthieu@fairtrade-advocacy.org</u>

Fairtrade International (FI)

Sophie Aujean Director Global Advocacy <u>s.aujean@fairtrade.net</u>

World Fair Trade Organization (WFTO)

Leida Rijnhout Chief Executive <u>ce@wfto.com</u>