EXECUTIVE SUMMARY

Sustainable agriculture under Fairtrade terms

FROM THE BASELINE REPORT PRESENTED IN JUNE 2022
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### Acronyms & abbreviations

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<td>Agroecological Practices</td>
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<td>CC</td>
<td>Climate change</td>
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<td>CIDSE</td>
<td>International Cooperation for Development and Solidarity</td>
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<td>CLMRS</td>
<td>Child Labour Monitoring and Remediation System</td>
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<td>COP26</td>
<td>Conference of the Parties 26</td>
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<td>COSA</td>
<td>Committee on Sustainability Assessment</td>
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<td>CPO(s)</td>
<td>Contract Production Organisation(s)</td>
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<td>CSA</td>
<td>Climate-Smart Agriculture</td>
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<td>CSDD</td>
<td>Corporate Sustainability Due Diligence</td>
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<td>DI</td>
<td>Development International e.V.</td>
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<td>FAO</td>
<td>Food and Agriculture Organization of the United Nations</td>
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<td>FI</td>
<td>Fairtrade International</td>
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<td>Fairtrade</td>
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<td>GBV</td>
<td>Gender-Based Violence</td>
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<td>GPS</td>
<td>Global Positioning System</td>
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<td>HLPE</td>
<td>High-Level Panel of Experts on Food Security and Nutrition</td>
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<td>IPM</td>
<td>Integrated Pest Management</td>
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<td>IUCN</td>
<td>International Union for Conservation of Nature</td>
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<td>NFO</td>
<td>National Fairtrade Organisation</td>
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<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<td>PN(s)</td>
<td>Producer Network(s)</td>
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<td>PO(s)</td>
<td>Producer Organisation(s)</td>
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<td>PPE</td>
<td>Personal Protective Equipment</td>
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<td>SAFA</td>
<td>Sustainability Assessment of Foods and Agriculture Systems</td>
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<td>SAM</td>
<td>Sustainable Agriculture Matrix</td>
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<td>Sustainable Development Goals</td>
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<td>SPO(s)</td>
<td>Small-scale Producer Organisation(s)</td>
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<td>The Economics of Ecosystems and Biodiversity</td>
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<td>UN</td>
<td>United Nations</td>
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<td>VSS</td>
<td>Voluntary Sustainability Standards</td>
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<td>YICBMR</td>
<td>Youth-Inclusive Community-Based Monitoring and Remediation</td>
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Introduction
Agricultural risks making headlines

A recent study on climate change (Grüter et al., 2022) pointed out that in 30 years, many regions in the world would become unsuitable for growing essential crops like coffee, avocado, and cashews due to the effects of rising temperatures and changing precipitation patterns. Coffee, for example, highly sensitive to high temperatures, is thus expected that production will drop around 50% by 2050 in key regions such as Brazil, Indonesia, Vietnam and Colombia. However, the authors anticipate that new areas (e.g., Argentina, South Africa, China and New Zealand) will become suitable to produce coffee (which, however, does not mean that current production will be easily replaced; or that food production would not be replaced or not decline).

For cashews and avocados, changes in the weather and rainfall patterns are predicted to increase the regions suitable for its growth around the globe, albeit at the expense of current sites, which, like coffee, will become unsuitable for food production. Examples include India and Benin, where rising temperatures will cause them to lose much of the areas suitable for cashew production, and Mexico and Perú, for avocado, where Mexico will experience an 80% increase in suitable land. In contrast, Peru will lose much of its suitable areas.

These changes trigger a host of consequences with environmental, social, and economic ramifications. For example, countries whose economies rely on cash crops will suffer a drop in income, and forests in countries expected to become suitable to produce cash crops could face deforestation.

In view of the predicted changes, a proactive adaption of resilient production models could avoid and mitigate many adverse impacts. This may be purposefully achieved, in part, by transitioning to more sustainable ways of agricultural production.

Why put forward a Fairtrade policy on sustainable agriculture?

Fairtrade intervenes in the agricultural markets and supply chains, aiming to provide better terms of trade and to empower producers, including small-scale farmers, to “combat poverty, strengthen their position and take control over their lives” (Fairtrade International, n.d.). Fairtrade has a legacy of improving livelihoods and fostering social justice, which is embedded in its vision: “a world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future” (Fairtrade International, n.d.).

Yet the aims of achieving decent livelihoods and social justice in agriculture are confronted with increasing exogenous challenges, climate change being one of the most significant. However, there are also other megatrends such as the continued unbalanced power relations in international trade, unsustainable pricing, land degradation, deforestation, biodiversity loss, water stress and COVID-19.

In its latest Global Strategy 2021-2025, Fairtrade aims for a holistic approach to achieving sustainability and also seeks to advance its work in the environmental domain in tandem with the social and economic spheres of development. Consequently, Fairtrade’s prominent “people first” approach, is increasingly recognized as an untenable paradigm given its deliberate omission of sustainability parameters that in turn have negative feedback effects on the very people that are the object of protection.
Fairtrade’s Global Strategy 2021-2025 envisions sustainable agriculture at the production level, which in turn contribute to sustainable development in food systems, sustainable livelihoods and social justice in rural areas. Through the pursuit of two-pronged approach: (1) adaptation and producer resilience, and (2) sustainability, Fairtrade may future-proof its systems and evolve as a standard setter and agent of change. It recognises that Fairtrade’s context of mostly agricultural production, sustainable development can be best supported by sustainable agriculture.

In light of the growing concern for the sustainability of agricultural production, including the environmental and social impacts of the agriculture it certifies, Fairtrade-certified producer organisations are indirectly subjected to new regulatory frameworks such as the European Commission’s *Proposal for a Directive on corporate sustainability due diligence* (European Commission, 2022).

With this new sustainability policy, Fairtrade defines how it understands sustainability in social, economic, and environmental terms.

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1 At the UN climate change conference COP26, the need to transition into more sustainable agriculture systems and land use practices was highlighted. Forty-five governments pledged “urgent action and investment to protect nature and shift to more sustainable ways of farming” and 26 nations committed to “change their agricultural policies to become more sustainable and less polluting, and to invest in the science needed for sustainable agriculture and for protecting food supplies against climate change.” Furthermore, governments, businesses, farmers and representative of local communities stressed the necessity to make sustainable practices in agriculture “more attractive, accessible and affordable than unsustainable alternatives” (UN Climate Change Conference, 2021).
By systematically and clearly defining its position and expectations with regard to agricultural sustainability and specific risks, Fairtrade:

- renders more sustainable agriculture practices by informing relevant Fairtrade standards;
- takes advantage of opportunities by advancing offerings such as carbon removal units;
- is informed by – and be led by – empirical data;
- embraces appropriate technological innovations and applications;
- improves Fairtrade’s business development work and relations with economic actors;
- promotes transparency, openness, and cooperation between stakeholders;
- guides decision-making with respect to international policies, corporate sustainability schemes and other corporate responsibility projects, coalitions and external positions;
- aligns with existing and future legislation and partner policies, norms, and expectations;
- remains competitive in the Voluntary Sustainability Standards (VSS) domain;
- guides programmatic and advocacy operations in fields such as producer support, partnership building, strategic alliances for policy influencing and monitoring, evaluation and learning;
- prevents and mitigates harm to producers and farmworkers;
- bridges the gap between social justice and the global climate crisis.
Sustainable agriculture
What is sustainable agriculture?

**FAO (1990)** defines sustainable agriculture as:

“The management and conservation of the natural resource base, and the orientation of technological and institutional change in such a manner as to ensure the attainment and continued satisfaction of human needs for present and future generations. Such development (in agriculture, forestry and fishing etc.) conserves land, water, plant and animal genetic resources, is environmentally non-degrading, technically appropriate, economically viable and socially acceptable.”

In other words, sustainable agriculture should meet the present and future generations' needs by efficiently managing resources (e.g. natural resources, technology and skills). At the same time, it should conserve and improve the quality of the natural environment and farmers' quality of life.

The FAO definition of sustainable agriculture reflects the emerging consensus that sustainable agriculture, similarly to sustainable developments, is based on at least three pillars: environmental, economic and social. While the cultural dimension is sometimes also considered the fourth pillar of sustainability, and particularly highlighted in indigenous and traditional communities representing a significant number of Fairtrade POs (particularly in coffee), the cultural dimension is integrated within the other pillars.

Sustainable agriculture under Fairtrade terms: risk framework

To operationalise the definition of sustainable agriculture, Fairtrade relies upon already developed sustainability frameworks, namely the “Planetary Boundaries” by the Stockholm Resilience Centre's (2016), the related "Doughnut Economics" by Kate Raworth (2017), the COSA (n.d.) framework of sustainability, and last “The Sustainable Agriculture Matrix (SAM)” by Zhang et al. (2021).

From these models the applicable domains for Fairtrade-certified POs to achieve sustainability were captured, resulting in a risk framework with 25 risk categories identified as key sustainability challenges in Fairtrade-certified agriculture. These risks comprising the framework then informed the development of the suggested policy positions on sustainable agriculture under Fairtrade terms.

**Figure 1** reflects the 25 risks and the sustainability domains that underpin each of them: 'Environmental', 'Economic', and 'Social'. These critical elements serve as a tool for analysing sustainable performance and as a blueprint for targeted actions. This framework aims for a more sustainable model than the status quo by addressing each of these risks through the adoption of sustainable practices.
Figure 1: Fairtrade sustainable agriculture risk framework
Sustainability risk assessment: materiality matrix

In order to develop the policies and to integrate the views of core stakeholders (POs, Fairtrade staff, FLOCERT and NFOs) on each sustainability matter, a materiality assessment was conducted in the form of an online survey to prioritise each agricultural risk. In the materiality assessment survey, respondents were prompted to rate the principal risk through the bi-directional double materiality perspective: impacts to the PO, and impacts caused by PO.

The survey recorded a total of 255 responses, of which 25 were received from selected key informants (Fairtrade staff, FLOCERT and NFOs) and 230 from POs. The overall results of the ‘risk prioritisation’ suggests that all risks included in the framework are material for Fairtrade staff, FLOCERT, NFOs and POs, as none of the 25 risks received an aggregate score below 2.5 on a 5-point scale. Climate change, youth unemployment and lack of decent livelihoods, market barriers and anti-competitive behaviour, low income and wages, and land degradation encompass the top 5 high priorities for both cohorts.

A closer look at Figure 2 reveals that there were no risks that POs considered significant but Fairtrade staff, FLOCERT and NFOs did not. The perception of the two cohorts was not far apart, as the risk prioritisation presented a rather homogeneous distribution concentrated below the dashed, 45-degree line. Where the points (risks) are closest to the line, the groups are more aligned; in this case: waste and food loss, nutrient pollution, and work-related morbidity. The cohorts did however notably differ on climate change, low income and wages, child labour and labour rights violations.

Figure 2: Materiality matrix – Risk prioritisation by Fairtrade staff, FLOCERT, NFOs vs. POs
Agroecology
Which are the approaches to sustainable agriculture?

A recent IUCN paper (Oberč & Arroyo Schnell, 2020) identified fourteen approaches to sustainable agriculture. Each of the approaches encompass a set of principles, objectives, and a background to their evolution. They can also be applicable to a specific or variety of production type/system, regions or context. Choosing or adopting an approach means at the micro-level it would determine the way farms are managed and the type of practices to adopt to achieve objectives. At a macro-level, for example for Fairtrade, it would mean adopting a direction for strategies, projects, objectives, partnerships, and advocacy.

1. Agroecology
2. Nature-inclusive agriculture
3. Permaculture
4. Biodynamic agriculture
5. Organic farming
6. Conservation agriculture
7. Regenerative agriculture
8. Carbon farming
9. Climate-smart agriculture (CSA)\(^2\)
10. High nature value farming
11. Low external input agriculture
12. Circular agriculture
13. Ecological intensification
14. Sustainable intensification

Agroecology as a unifying framework

FAO (2018) defines agroecology as:

“It is an integrated approach that simultaneously applies ecological and social concepts and principles to the design and management of food and agricultural systems. It seeks to optimise the interactions between plants, animals, humans and the environment while taking into consideration the social aspects that need to be addressed for a sustainable and fair food system.”

Wezel et al. (2009) and others split agroecology conceptually into three domains of activity: a science, a practice and a social movement. It combines traditional and local knowledge with modern science. In addition, agroecology is a process, or better stated, a plethora of such processes occurring at once. Agriculture is often referred to in a static sense, as a state waiting on a big push from scientists or activists. Instead, agriculture is dynamic as farmers constantly trial new practices learned from several sources, observe the results and tweak the practices in the future. How these processes of change occur is just as important as the actual practices that are adopted. These processes are ideally participatory, action-oriented, and transdisciplinary. They set farmers and rural workers as protagonists in defining what qualifies as viable.

As a holistic approach, agroecology integrates the already mentioned pillars of sustainability: environmental, economic, and social, and due to its nature is applicable to any type of farm, in any region and context, since it is a bottom-up approach informed by principles, instead of universal solutions. Thus, due to the operational spread of Fairtrade, the approach provides contextualised solutions that incorporate local contexts and constraints.

\(^2\) Fairtrade took an internal position on CSA, mindful of the controversy of the term. The approach is often understood as an agro-industrial approach with focus on climate change, which does not question the sustainability of some agriculture issues such as GMOs and intellectual property rights. In their position Fairtrade resolves that: FI is not a member and should not become a member of the Global Alliance for Climate-Smart Agriculture (GACSA), as CSA does not align with Fairtrade Climate Change programme, strategy and standards.
## Reasons to choose agroecology as Fairtrade’s path to sustainability

1. **Agroecology** is the most aligned approach to Fairtrade’s origins, mission, vision, and theory of change as it explicitly addresses themes such as climate change, farmers’ autonomy, land stewardship, food security and nutrition, biodiversity, social justice, and also foundational topics to the Fairtrade movement such as the empowerment of vulnerable or marginalised populations in rural areas, that are often not included in other sustainable approaches.

2. Concerning the operational spread of Fairtrade-certified POs, agroecology is applicable to any plantation or smallholder farm independent of the type of crop, soil, climate, or any other condition, since it is based on bottom-up approach that aims at contextualised solutions incorporating local contexts and constraints (HLPE, 2019). Therefore, POs need to have a strong voice in the definition of adequate agroecological strategies (which could be done through PNs), based on their specific context, capacities, risks, needs, and values.

3. Agroecology aims at the redesign of not only agricultural systems, but entire food systems. In other words, it is not limited to the adoption of certain agricultural practices and technologies but extends into the universe of interactions, synergies and trade-offs among agricultural production for human consumption and natural ecosystems. The approach is also part of the food sovereignty movement which seeks to strengthen local food systems. Fairtrade, as well, takes a systems approach toward the relationship between agricultural production, trade and the environment, and supports a food sovereignty framework for such systems.

4. Agroecology aligns with a substantial number of Fairtrade’s sustainability objectives and outcomes current already achieved, particularly with organic farming, an approach that many Fairtrade-certified POs have already adopted.

5. Agroecology was endorsed by the recently amended French law on climate, adopted in 2021 (Loi n° 2021-1104 du 22 August 2021). In addition to stipulating terms of trade requirements for companies using a ‘fair trade’ label a French law (amending article 60 in Loi n° 2005-882 du 2 August 2005) also stipulates that each company working with the fair trade labelling industry “promotes production and operating methods that respect the environment and biodiversity, such as agroecology when it comes to food sectors, and is able to produce information relating to product traceability.” Companies claiming to be involved in ‘fair trade’ must now use the label, and the label can only be used if the stipulated conditions are met.
Transitional pathways to agroecology

Agroecological transition involves both practices as well as the structures that condition them. For example, a transition to organic agriculture, while a step in the right direction at the farm level, does not fundamentally change the broader structures that constrain food system change. In short, the term ‘agroecological transformation’ has gained considerable ground in describing how agroecological change toward more sustainable agri-food systems occurs.

Alignment with agroecology is taken to mean alignment with broad system transformations including (or especially) those pertaining to international trade of commodities.

Gliessman (2015) proposed a popular framework that serves as a roadmap to agroecological transitions (that is, between conventional to sustainable agroecosystems and food systems) with five levels. The first three levels proposed are framed on the steps farmers can take on their own farm to convert from conventional agriculture to sustainable agriculture, while the last two hint at what might be described as transformation and go beyond the farm scale and reach food system structures. Agroecology, according to Gliessman, really starts at level 3, as they require changing the design of farming systems. Even Level 2, which involves the substitution of inputs, still only constitutes an initial step on the path to full-fledged agroecology.

On the face of it, this framework is easily adapted to Fairtrade’s existing approach: the milestones in the framework can be used to map Fairtrade-certified farms and POs along a continuum of sustainability in order to evaluate the breadth and depth of agroecology in a given area.

Figure 3: Levels to sustainable agroecosystems conversion

- **LEVEL 1** Increase the efficiency of conventional practices to reduce externalities
- **LEVEL 2** Substitute conventional inputs and practices with alternative practices
- **LEVEL 3** Redesign the agroecosystem so it functions on the basis of ecological processes
- **LEVEL 4** Re-establish a direct connection between food producers and consumers
- **LEVEL 5** Transform food systems so food justice and sustainability are paramount
In Level 1, chemical inputs are reduced as their use becomes more efficient and precise and agricultural pollution is mitigated. Efficiency can be achieved through timing of practices, cropping densities, new technologies (including GPS and robotics), integrated pest management and increased monitoring of soil conditions (Gliessman et al., 2019). This suite of practices has recently been categorised as Precision Agriculture; however, the net benefits of such practices are not fully understood and given dire circumstances in which we find our agricultural future, such incremental change is unlikely to achieve sustainability.

In Level 2, industrial/conventional inputs are substituted with environmentally-friendly or benign alternatives. The new inputs include biofertiliser products as well as using renewable forms of energy. This does more to mitigate agriculture’s impact on nature and human health, but it rarely re-designs conventional agroecosystems in a fundamental way that would mimic and take full advantage of ecological processes. While some organic-certified systems (especially those managed at large-scales with industrial-style processes) represent this stage, organic certification may only serve as a proxy for agroecological alignment.

In Level 3, the agroecosystem is redesigned and diversified so that it functions on the basis of a new set of ecological processes. This is the level in which practices begin to be referred to as “agroecological”. The ecological structures and functions at work in these systems act to prevent problems (e.g. pests) commonly associated with agricultural production. The principal element in this stage is increasing diversification at various levels: the genetic diversity of a crop species, the number of species present in an agroecosystem (both crop and non-crop) and the diversity of community compositions across an agroecological landscape. However, this development along the agroecological continuum is where systems take on myriad context-dependent forms which can make them difficult to monitor and evaluate using conventional methods. For that reason, an alignment with agroecology will encourage Fairtrade to rethink its approach to evaluation in order to make them more principles-based and participatory.

Level 4 focuses on developing direct relationships with consumers and shortening supply chains both in terms of spatial distance and the number of intermediaries involved. Since Fairtrade tend to deal in food systems transaction across long distances, their most immediate effect on the current food system is reduce profiteering (by brokers, distributors, and retailers) along the supply chain that lower producer incomes, which in turn can provoke extractive land uses and oversimplification of the agroecological landscape. Fairtrade also serves to connect consumers with producers who employ agroecological practices. However, despite these being in Fairtrade’s wheelhouse they are an insufficient embodiment of Level 4, which strives to promote agroecological landscapes that are not simply committed to export commodities, but also produce food for local consumers. Level 4, therefore, presents a real challenge for Fairtrade: how to increase incomes for export crops produced agroecologically without undermining the production and circulation of local, culturally appropriate foods. In Western Europe and North America countries, this ‘re-localisation’ movement has included the support of agriculture schemes and consumer cooperatives and are basic to alignments with agroecology. To address this contradiction, Fairtrade policy must adjust to take a landscape- and food system approach to rural well-being, implying investments in local and regional food systems.

In Level 5, food systems are transformed so that food justice and sustainability are paramount. These changes might be referred to as paradigmatic, involving new cultural relationships between
humans, food and nature and an overhaul of institutions that ensure equity among humans, and between humans and non-human beings. It also involves holding society to more critical goals than maximisation of productive output: mitigating and adapting to climate change, for one, involve a paradigmatic shift in how progress is measured at international scales. **This segment of Fairtrade’s alignment with agroecology would occur through the use of its alliances with social movements on behalf of the rights of peasants and consumers:** as a prerequisite for such alliances, Fairtrade policies might have to be adapted to demonstrate increasing democratic control over Fairtrade policies and resources. Furthermore, alignment with agroecology presumes that Fairtrade uses its platforms and networks to promote changes in governance that currently stymie agroecological transformations. As a transformative entity, Fairtrade may amplify niche approaches to agroecology across its networks and those of its partners. The recommendation is that Fairtrade also does not focus solely on agroecological practices, but on the shortcomings and contradictions of equity and sustainability within the prevailing systems of exchange, networks, access to natural resources and discourse (an idea more generally explored in Anderson, Bruil, et al., 2019). Fairtrade, as a central actor, is especially well situated for this work, as it operates at multiple levels within the food system. **In sum, Fairtrade reorganises its procedures such that its direction and its impact are informed by community-level control and bottom-up influence of international systems, rather than relying on reinforcing processes of top-down standard-making** (Anderson, Maughan, et al., 2019).

**Principles underpinning the Policies**

Agroecological approaches are context-specific and place-based. Instead of offering universally applicable solutions, an agroecological approach is grounded in principles that can be adapted to various contexts and on different scales (Bell & Bellon, 2018). As Patton (2017) notes, “while the principles remain the same, in implementing principles there will necessarily and appropriately be adaptation within and across contexts.” From an operational perspective, principles help guide the planning, implementation, and evaluation of agroecological transitions and transformations toward more sustainable agri-food systems (Caswell et al., 2020; Wezel et al., 2020).

Different sets of agroecological principles have been developed over the past decades (e.g., Altieri & Nicholls, 2005; CIDSE, 2018; FAO, 2018; HLPE, 2019), reflecting the multidimensional nature of agri-food systems and the diversity of actors practising agroecology. These sets incorporate a variety of ecological, economic, social, and cultural principles, addressing many key aspects of agri-food systems (Wezel et al., 2020). In this document, two sets of principles to support the policy positions are used: one by CIDSE (Coopération Internationale pour le Développement et la Solidarité) and another by HLPE (High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security) that builds on FAO’s 10 elements of agroecology. These two frameworks offer comprehensive and largely comparable set of principles that address ecological, economic, and social dimensions of sustainability.
### Table 1: In- and out-of-scope agroecological principles

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<td>Input reduction and elimination</td>
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<td>• Eliminates use of and dependence on agrochemicals</td>
</tr>
<tr>
<td>Soil health</td>
<td>• Soil health</td>
<td>• Nourishes biodiversity and soils</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>• Biodiversity</td>
<td>• Nourishes biodiversity and soils</td>
</tr>
<tr>
<td>Synergy</td>
<td>• Synergy</td>
<td>• Enhances integration of various elements of agroecosystems (e.g. plants and animals)</td>
</tr>
<tr>
<td>Resilience and adaptation to CC</td>
<td>(no direct equivalent)</td>
<td>• Supports resilience and adaptation to climate change</td>
</tr>
<tr>
<td><strong>ECONOMIC</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversification</td>
<td>• Economic diversification</td>
<td>• Increases resilience through diversification of farm incomes and strengthens community autonomy</td>
</tr>
<tr>
<td>Connectivity</td>
<td>• Connectivity</td>
<td>• Aims to enhance the power of local markets and build on a social and solidarity economy vision</td>
</tr>
<tr>
<td>Fairness</td>
<td>• Fairness</td>
<td>• Promotes fair, short, distribution webs, producers and consumers working together</td>
</tr>
<tr>
<td>Co-creation of knowledge</td>
<td>• Co-creation of knowledge</td>
<td>• Promotes farmer to farmer exchanges for sharing knowledge</td>
</tr>
<tr>
<td>Social values and healthy diets</td>
<td>• Social values and diets</td>
<td>• Promotes healthy diets and livelihoods • Strengthens food producers, local communities, culture, knowledge, spirituality</td>
</tr>
<tr>
<td>Land and natural resource control</td>
<td>• Land and natural resource governance</td>
<td>• Aims to put control of seeds, land and territories in the hands of people</td>
</tr>
<tr>
<td>Participation</td>
<td>• Participation</td>
<td>• Encourages new forms of decentralised, collective, participatory governance of food systems • Encourages stronger participation of food producers/consumers in decision making • Encourages diversity and solidarity among people, encourages women and youth empowerment</td>
</tr>
<tr>
<td><strong>SOCIAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animal health</td>
<td>• Animal health</td>
<td>(no direct equivalent)³</td>
</tr>
<tr>
<td>Public policies</td>
<td>(no direct equivalent)</td>
<td>• Requires supportive public policies and investments⁴</td>
</tr>
</tbody>
</table>

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3 Irrelevant for the Fairtrade context.
4 Highly relevant for Fairtrade, but outside production scope and thus the scope of this policy.
Suggested Fairtrade policy positions
Sustainable agriculture under Fairtrade terms • Executive Summary

Policy development and structure

Each of the policy positions is based on the empirical literature, developed with the input key informants through interviews and the review period. Feedback was furthermore received in the two workshops (held on December 7, 2021 and March 9, 2022), and by ten (10) external peer reviewers. DI’s contribution involved analysing inputs, identifying convergence and divergence, and juxtaposing input with the relevant academic state-of-the art discourse.

For this Executive Summary, the suggested policy positions for each sustainable risk are structured in four parts:

1. **Introduction** of the topic which provides a brief background, reflects the relevance to why address the risk and linkages between the risk and potential outcomes.

2. **Underlying agroecological principle(s)** which reflects the leading agroecological principle or rules under which the specific sustainable issue lies.

3. **FI general policy position** which reflects the mainstream policy – in the form of rules, principles or guidelines – which inform the basis for making decisions.

4. **FI specific policy position**, which reflects rules, principles or guidelines on specific topics under the main sustainable agricultural risk, further informs the basis for making decisions related to the topic.

Suggested Fairtrade policy position per risk

This section contains the suggested Fairtrade policy positions on each dimension (25) that underpins agriculture sustainability (see Sustainable agriculture under Fairtrade terms risk framework). The title of each sub-section is framed using positive language. However, the principal risk that is being addressed with each policy position is also identified.
Climate resilience

**RISK: CLIMATE CHANGE**

**Introduction**

Although smallholder agriculture causes relatively few emissions, on a global scale, agriculture is a leading contributor to emissions that drive climate change. At the same time, climate change is already adversely impacting agricultural productivity, threatening global supplies. Recent years have seen extreme variability in temperatures and rainfall, inducing wildfires, drought, and desertification on the one hand and heavy rains, floods and erosion events on the other. Negative impacts of climate change can considerably affect farms, POs and communities economically, socially and ecologically. Ecologically, changes in the weather and temperatures can cause shorter growing seasons, floods, soil erosion and increase the risks of pests and diseases.\(^5\) Socially it can endanger farmers’ lives, health, food security and nutrition. Economically it can hurt the financial standing of the farm and households, contributing to poverty.

An effective countermeasure to increase farms’ resilience to climate change is adopting sustainable agricultural practices, especially agroecological practices, aimed at adaptation and mitigation. This can improve POs’, farmers’ and workers’ position to cope with external shocks and achieve decent livelihoods.

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\(^5\) See notably the severe effects of La Roya in Latin America in 2014/15.
### Specific policy positions

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GHG emissions</strong></td>
<td>Fairtrade actively works with POs and supply chain actors to reduce GHG emissions under scope 1, 2, and 3, based on the 2001 Green House Gas Protocol. Scope 1: cover GHG emissions that POs cause directly (e.g. burning, nitrate fertilisers, pesticides). Scope 2: includes indirect GHG emissions. Scope 3: includes the GHG emissions that the organisation is indirectly responsible for, along the value chain.</td>
</tr>
<tr>
<td><strong>Carbon removal units</strong></td>
<td>Fairtrade works to broaden its scope of projects to encompass carbon Removal Units (RMU) by applying agroecological practices (APs) and other sustainable practices that generate new sources of revenue for farmers and provide a measurable benefit to the environment.</td>
</tr>
<tr>
<td><strong>Adaptation and mitigation measures</strong></td>
<td>Fairtrade actively promotes and helps POs in the adoption of climate change adaptation and mitigation measures and practices that are beneficial to the farm, producers, workers and the community, taking into account their specific context (e.g. region, crop, capacity and knowledge).</td>
</tr>
<tr>
<td><strong>Eco-friendly products</strong></td>
<td>Fairtrade works to enhance, for all crops, POs’ business models, differentiating them from conventional agriculture, and supports proven, market-driven initiatives on eco-friendly products, taking care not to engage in greenwashing.</td>
</tr>
</tbody>
</table>

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6 The term “eco-friendly” refers to products not harmful to the environment. The “ecological” reference implies that it includes not only activities or practices not harmful to the environment in agricultural production, but also in processing, transport, shipping etc.
Youth employment and decent livelihood opportunities

RISK: YOUTH UNEMPLOYMENT, POVERTY, AND LACK OF DECENT LIVELIHOOD OPPORTUNITIES

Introduction

Youth play a critical role in sustainable agriculture for many reasons: they are the future of agriculture and with the proper education, they could apply new technologies or management strategies to achieve more sustainably. Nevertheless, due to dire perspectives (unemployment, work that is unrewarded and laborious, lack of youth political participation, etc.) youth are generally less interested to engage in agricultural vocation, often migrating instead to urban areas in the pursuit of better opportunities.

The world faces considerable challenges in ensuring that young people are integrated into the world of decent work, have access to skills development, and business opportunities. Covid-19 and its associated impacts have not rendered conditions easier for youth engagement.

By notably addressing structural problems in agriculture, young people may see a future in the sector. The necessary preconditions for youth to consider agriculture as a viable vocation are access to decent employment opportunities, skills development and business opportunities, including being heard and participating in matters involving and affecting them. Also, innovations in agriculture may serve as an incentive for youth involvement as they represent new opportunities.

Agroecological principles informing the policy

- Fairness
- Participation
- Co-creation of knowledge
- Resilience & adaptation

Overarching policy position

To draw in the youth into PO structures and raise a new generation of farmers, Fairtrade champions the inclusion and decent employment opportunities for youth; the provision of resources, technologies, information and knowledge to youth; youth participation in decision-making and distribution of Fairtrade benefits; and the creation of safe and respectful workplaces for youth. Simultaneously, Fairtrade works against discrimination, abusive and exploitative conduct vis-à-vis vis youth.
## Specific policy positions

<table>
<thead>
<tr>
<th><strong>Youth and innovation</strong></th>
<th>Fairtrade supports youth inclusion through initiatives that incentivise youth to get involved in agriculture and increase adaptation rates to new technologies (as higher rate of acceptance of blending of science and practice, and diversification strategies are linked to youth members).</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Youth employment</strong></td>
<td>Fairtrade fosters decent youth (16-28) employment, skills development through apprenticeship and vocational training, while complying with international and national laws concerning child labour. By creating enabling and empowering inclusive and learning environments for young people, they may be introduced to the field of agriculture instead of being excluded. Also, Fairtrade drives advocacy efforts to ensure every child has the right to attend quality education and be protected from exploitation and abuse.</td>
</tr>
</tbody>
</table>
Fair markets and trade
RISK: MARKET BARRIERS AND ANTI-COMPETITIVE BEHAVIOUR

Introduction

Reliable and equitable markets can increase income, reduce poverty, and positively impact farmers’ livelihoods. Market barriers and anti-competitive behaviours, on the contrary, may increase power imbalances in favour of larger organisations or companies, undermining POs’ profits and ultimately endangering livelihoods. Practices including unfair terms of trade, opaque pricing systems, and lack of information may further aggravate social inequalities, and place producers under stress, since producers are required by supply chain actors to comply with environmental and social standards but suffer anti-competitive behaviours in return and lack of support.

Market barriers in the Fairtrade context include, for example, the fact that the Fairtrade label is costlier than other alternatives. Also, insufficient investments to measure and demonstrate attributable impact, curtails the organisation ability to justify higher price points to stakeholders. Moreover, in the context of industry practices that include misleading labelling and deceptive practices, there is a danger that the consumer trust gap would grow. Empowering producers by building capacity on trade, data ownership, and facilitating transparent access to information on prices and costs can potentially increase incomes, wages and overall market access.

Overarching policy position

Fairtrade works with disadvantage producers and workers to balance power relations in favour of a fair value distribution. Fairtrade also advocates for the sharing of information across supply chain actors to build fairer, transparent, and more accountable supply chains. Information on prices and terms of trade increases PO market access and reduces power imbalances.

Specific policy positions

<table>
<thead>
<tr>
<th>Policy Position</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data access</td>
<td>Fairtrade works to enable PO (and SPO in particular) access to quality, timely, and transparent information on trade, such as prices, margins, terms of trade and specific regulation.</td>
</tr>
<tr>
<td>Data compensation</td>
<td>Fairtrade works to roll out technology that allows farmers and producers to get compensated for their HREDD data.</td>
</tr>
</tbody>
</table>

Agroecological principles informing the policy

Fairness

Connectivity

7 See work done by Datastake (n.d.) which provides the technology that allows farmers to own their data and be compensated for producing and sharing it.
Living incomes and living wages are central to achieving decent and sustainable livelihoods. Impoverished farmers generally lack the resources to improve their incomes, leading them to difficulties to pay decent wages and economic pressures that could result in child labour, other rights violations, and deforestation.

Living income’s main challenges come from its components: price, volume, and cost including costs of compliance with laws, regulations and standards. A fourth challenge could be the lack of diversification. Associated also are power imbalances, anti-competitive behaviours, market barriers and increasing cost, including those related to climate change adaptation and mitigation programs and practices. Concerning living wages, apart from being related to the prices, costs and volumes sold of commodities, they depend on factors like unionisation and collective bargaining.

The issues associated with living incomes and wages are numerous and nuanced, involving other factors such as gender, vulnerability, inequality, and access to land. Yet, in terms of sustainability, living incomes and wages are imperative, as failure to achieve them would not only impair supply chain continuity and the flourishing of rural communities, but also result in significant damage to the natural environment.

Fairtrade is concerned with improving farmers and workers livelihoods, and has taken significant research and steps to this regard.

Overarching policy position
Fairtrade takes a holistic approach to strive for living incomes and living wages, which involves the following interventions: advocate for paying fair prices and wages based on FLIRP; improving productivity through higher yields, cost efficiency, efficient use of inputs, input reduction, and introduction of sustainable technology; and diversification of income sources.
## Specific policy positions

| **Prices** | Fairtrade advocates, with supply chain actors, stakeholders, public policy makers, regulators, and private sector, in the various (business) forums in which Fairtrade participates, for fairer prices that incorporate the environmental and social cost of sustainable production (agroecological) and enables living incomes and living wages; and for a fairer distribution of value creation in supply chains. Fairtrade takes special care not to create the wrong economic incentives that lead to unsustainable practices (e.g., overuse of chemicals). |
| **Diversification** | Fairtrade supports farmers and workers adopting income and farm diversification strategies (incl. farm and off-farm diversification) with the purpose of producing food for their own consumption, local markets, by products or generating other sources of income. |
| **Productivity** | Fairtrade supports POs efforts to increase farm productivity that results from the adoption of APs (agroecological practices) fostering environmental, social and economic sustainability, and are at the same time profitable and beneficial to farmers; and financially support SPOs to cover the transition cost from conventional/poor sustainable farming to sustainable farming systems in cooperation with supply chain actors and other stakeholders (e.g., NGOs and the government). |
| **New certification of organisations** | Fairtrade works to minimise and eliminate unfair competition between new POs and older POs, and certifies new organisations when there is proof that they have a buyer for a certain percentage of production to avoid losing or compromising existing POs and certification costs. |
| **Scaling up the value chain** | Fairtrade supports and encourages POs to control more steps of the value chain (e.g. processing or exportation), growing the margin of value addition for the producer wherever possible. |
| **GMOs** | To ensure farm autonomy, Fairtrade prohibits the deliberate use of genetically engineered seeds or planting stocks. |
Land restoration

**RISK: LAND DEGRADATION**

**Introduction**

According to the FAO, "land degradation and soil depletion represent a real and escalating global threat and involves a number of processes, including erosion by wind, water and tillage, compaction, sealing, nutrient imbalance, loss of soil organic matter, acidification, salinisation and pollution" (ibid).

One of the main drivers of land and ecosystem degradation is deforestation due to land conversion for economic purposes, which not only affects ecosystems it also contributes to climate change.

Healthy and fertile land is absolutely imperative for long-term sustainability and agricultural production. For producers degraded ecosystems could adversely affect their livelihoods, since eroded soils, lack of biodiversity, and other triggering effects endanger yields, crop productivity, and require more external inputs, increasing the cost of production. This also may affect living incomes and wages, increase food insecurity and expand the cultivated areas (e.g. forests or natural ecosystems).

A recent study commissioned by Fairtrade International (Linne et al., 2019) reaches the conclusion that many Fairtrade-certified farmers are "expected to be at high risk of soil erosion."

**Agroecological principles informing the policy**

- Resilience and adaptation
- Soil health
- Biodiversity
- Fairness

**Overarching policy position**

Fairtrade protects forests, ecosystems, natural areas and protected areas; and works against the unsustainable exploitation of natural, protected areas, forests, and other ecosystems by instituting plausible yield and remote sensing technology.
## Specific policy positions

<table>
<thead>
<tr>
<th>Land degradation</th>
<th>Fairtrade takes measures to enhance the systems’ capacity to enforce any legal requirements on land degradation (including deforestation) and raises awareness to counteract land degradation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deforestation</td>
<td>Fairtrade aligns its position on deforestation with current and upcoming deforestation legislation in the various regions in which Fairtrade operates, always choosing the more rigorous standard that benefits the environment and does not excessively burden producers. Fairtrade also institutes systems in order to progressively eliminate the trade of deforestation-tainted goods in its system.</td>
</tr>
<tr>
<td>Conservation</td>
<td>Fairtrade supports the conservation of forest and native trees on the farm (except when these pose hazards to people or infrastructure), promotes sustainable forest management and support reforestation/afforestation programs.</td>
</tr>
<tr>
<td>Unsustainable practices</td>
<td>Fairtrade will phase out and counteract practices that harm the land, soils, and biodiversity such as burning, indiscriminate slash and burn,(^8) and debris practices where there is strong and sufficient evidence of their unsustainability.</td>
</tr>
</tbody>
</table>

\(^8\) In certain circumstances, however, burning may be practiced sustainably (Nigh & Diemont, 2013).
Primary and secondary education

RISK: LACK OF PRIMARY & SECONDARY EDUCATION

Introduction

Education is a fundamental human right, and its deprivation can lead and contribute to social, economic, and environmental problems, such as inter-generational poverty and the absence of skilled, informed and empowered workers. It could also enable exploitation, abuse, and discriminatory and unfair practices between the genders.

Education is a means to exit poverty and hunger (De Muro & Burchi, 2007), and is crucial to preventing and fighting child labour. Knowledge acquisition allows for technological innovation, increasing incomes and improving livelihoods. Appropriate education also allows the understanding of the sciences, which can be applied to produce food sustainably. FAO also identified education as an enabler of rural people’s capacity to be food secure and sustainably manage natural resources (Acker et al., 2009). Furthermore, quality education could mean better access to decent work opportunities for youth.

For POs the level of education is relevant as it can affect the way they do business, produce, and their ability to interface with the Fairtrade system.

Agroecological principles informing the policy

- Fairness
- Social values & healthy diets
- Co-creation of knowledge

Overarching policy position

Fairtrade recognises the centrality of education in the pursuit of sustainable agriculture and advocates for more resources and inputs towards education, including premium investments for educational causes. Fairtrade also advocates for equal access to quality to primary and secondary education in rural areas to reduce poverty and inequality.
Water use

RISK: WATER STRESS

Introduction

Agriculture is one of the economic sectors with the highest rates (85%) of global water withdrawals (Project Drawdown, 2020). To produce, water is essential. Therefore, agricultural production is greatly affected by droughts and water scarcity, especially for those crops in which water is used with different purposes in production.

A recent study commissioned by FI to assess its impact on environmental protection, biodiversity conservation and adaptation to climate change, revealed that in all except in one case study (cocoa) “the key environmental challenges are mostly related to water issues” (Linne et al., 2019). Not providing plants with enough water can lead to loss of crop productivity and crop quality affecting, among other things, food security. Furthermore, water shortages could lead to dehydration of soils, ultimately resulting in production losses, plant losses or changes in the production cycle affecting the market and contract enforcement. By adopting sustainable practices that enhance water retention and by managing water resources producers can mitigate the risks of economic losses due to water stress and increase resilience to climate change.

Agroecological principles informing the policy

- Resilience & adaptation
- Soil health
- Synergy
- Connectivity

Overarching policy position

Fairtrade promotes the efficient use of water resources and the adoption of good practices (e.g., APs) that enhance water retention, water quality, re-use of water and reduction of water consumption for production.
Biodiversity and agrobiodiversity

RISK: BIODIVERSITY LOSS

Introduction

Biodiversity and species interactions are critical for agriculture production, climate change, human resilience, human health and well-being, food security and nutrition (Food and Agriculture Organization of the United Nations, 2019). It is also part of the natural capital of the farm. The main contributors to biodiversity loss are conversion of natural ecosystems into production fields and the intensification of conventional agriculture (e.g., monocultures).

Biodiversity is a means to stabilise agricultural production. Poor biodiversity leads to unsustainable practices such as increased dependency on external inputs (fertilisers and pesticides) to sustain primary production. In the long term it could reduce crop yields due to soil fertility loss, and cause crop losses because of the poor resilience of farms to disturbances.

Fairtrade recognises the importance of biodiversity, and in particular agrobiodiversity which needs to be protected and re-established to prepare and adapt against the increasing risk of climate change and the deterioration of soils and ecosystems that affect productivity. Functional biodiversity in the farm is the one that maximises synergies and minimises trade-offs and serves as a means to mitigate the effects of climate and enhance farm resilience.

Agroecological principles informing the policy

Biodiversity Synergy Resilience & adaptation

Social values & healthy diets Land & natural resource control Diversification

Overarching policy position

Fairtrade protects and maintains biodiversity above and below ground and prevents its loss; Fairtrade promotes and seeks the ecological advantages and productive synergies that support healthy agroecosystems and that occur through complementary relationships as specie richness increases; and Fairtrade supports agrobiodiversity that adds economic, social and cultural value to farms and increases farms’ resilience.
### Specific policy positions

<table>
<thead>
<tr>
<th><strong>Alien invasive species</strong></th>
<th>In order to protect native species and ecosystems, Fairtrade puts in place effective mechanisms to prevent the introduction of alien invasive species that are part of proven ecosystem-damaging activities.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wild and endangered species</strong></td>
<td>Fairtrade condemns hunting, killing, collecting, trafficking, and captivity of endangered and wild species, and utilises its leverage against such practices. Killing or hunting of wild species might be possible in some cases (such as proven risk to human lives), always for non-commercial purposes and according to national legislation (with the exception of endangered species included in the IUCN Red Lists or other relevant list which is always condemned). In the case of wildlife pests, population control is permitted in accordance with national wildlife laws and as a last resort but under a plan of “integrated pest management” / “ecological management,” in agreement with a pest management specialist and FLOCERT. Exceptions (i.e. to apply Red List hazardous materials), e.g. in case of an existential threat to a producer, are granted on a case-by-case basis by FLOCERT.</td>
</tr>
<tr>
<td><strong>Seeds and genetic resources</strong></td>
<td>As part of agrobiodiversity, Fairtrade promotes seed sovereignty, variety, and counteracts possible dependencies on external seed purchases; helps farmers to increase seed autonomy; supports on-farm management of plant genetic resources; promotes the conservation and diversification of varieties on-farm and ecosystems; and participates in the development and implementation of plans and projects on crop genetic diversity conservation, diversification, exchange, and use.</td>
</tr>
</tbody>
</table>
Introduction

Soil is the alpha and omega in agricultural production. Unsustainable practices include conventional intensive agriculture, and land-use change depleting the soil organic carbon stocks from soils. Such practices, apart from contributing to climate change, by extension can reduce soil health.

Without healthy soils there are risks of reduced productivity and yields, and increased vulnerability to pests and diseases. Conversely, healthy and fertile soils lead to more productivity, higher crop quality, and less external inputs, which could result in higher incomes.

Farmer investments in their own soils also adds (commercial) value to their property and increase its longevity. Furthermore, healthy soils increase resilience to climate change.

Agroecological principles informing the policy

Overarching policy position

Fairtrade strives to raise awareness and care for soil health. Fairtrade also prevents critical soil organic carbon (SOC) and soil organic matter (SOM) losses due to unsustainable agricultural practices and promotes adopting Agroecological Practices and techniques that maintain and enrich soil health (including biodiversity, nutrients, and other organism), increases water retention, reduces soil erosion, and that are functional to the farmers.

Specific policy positions

Carbon sequestration

Fairtrade supports research, programmes and partnerships with subject expert organisations and commercial partners related to soil improvement (e.g., biochar) and carbon sequestration projects in soils to the extent that is beneficial to farmers, is cost-efficient for POs and Fairtrade, and does not create perverse incentives, such as driving smallholder from their lands to implement afforestation projects.
Water and sanitation

Introduction

Water is a human right and access to clean water, sanitation services and water management are basic elements to achieve equitable, sustainable, and productive rural economies. Access to clear water is also associated with the reduction of poverty and other environmental, economic and social benefits.

In rural areas, adequate water and sanitation supply can be scarce. Limitations in access could be linked to “environmental fragility and relatively poor economic conditions,” and the lack of or poor infrastructure and sources of “drinking water and safe sanitation” (UN Water, 2021). In addition, “to this lack of services, natural water sources such as wells, pumps, and rivers are often contaminated and provide an unreliable supply” (UN Water, 2021).

Poor sanitation is a source of contaminants which affects human health, especially workers health (e.g. water-borne diseases like diarrhoea and dengue fever), increasing health care expenses and reducing economic returns. Improved management and access to fresh clean water and sanitation can reduce the cost of health for workers, save time which can be invested in education and other productive activities, and improve workers health potentially resulting in an increase of productivity.

Agroecological principles informing the policy

Overarching policy position

Good working conditions in the workplace – and housing in the case it is provided as part of the remuneration – includes adequate and proper access to quality freshwater and sanitations facilities, for all workers to manage their hygiene, health and dignity.
Gender equality

RISK: GENDER INEQUALITY AND INEQUITY

Introduction

Women are crucial for rural development and “major agents for change” (FAO, n.d.-c). However, the gender gap in agriculture is still extensive. Women as producers face major constraints to access and own resources such as land, water and farm inputs. Also, they lack access to rural advisory and extension services, technology, timely labour, weather and climate, information, and access to credits and financial assets. Due to these constraints women are often considered less productive (Tirado von der Pahlen et al., 2018). Another critical issue is gender-based violence (GBV), which affects women and girls in particular, compromising their ability to work, generate wealth and as caregivers, perpetuating poverty and “jeopardising agricultural productivity, food security and nutrition” (FAO, n.d.-b).

The inclusion of women and other marginalised gender groups could be beneficial to sustainable agriculture production as enhanced net farm profitability and financial transparency is derived from more female ownership, management and participation.

Fairtrade is notably improving gender equality and has developed a gender strategy (Fairtrade International, 2016).

Agroecological principles informing the policy

Participation

Co-creation of knowledge

Overarching policy position

In order to increase fairness, Fairtrade strives to provide women with equitable access to resources and works to enhance their economic and social autonomy, agency and empowerment. Fairtrade strives for a balance of power between genders and furthermore embraces gender-sensitive approaches that include men, supports the rights of women and people with underrepresented genders, recognises their substantial role in agriculture, and generally champions their participation.
<table>
<thead>
<tr>
<th>Specific policy positions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender participation</strong></td>
<td>Fairtrade encourages gender-equitable inclusion and participation in POs, especially in decision-making and policy development at the PO management level.</td>
</tr>
<tr>
<td><strong>Gender equality</strong></td>
<td>Fairtrade works to increase gender equality, systematically mainstreaming gender throughout the organisation operations and addressing systemic issues that hamper the realisation of gender equality.</td>
</tr>
<tr>
<td><strong>Women's empowerment</strong></td>
<td>At the producer organisation level, Fairtrade emphatically supports women’s ability to make strategic life choices by: (1) enforcing equal opportunities in agriculture, (2) challenging deeper gender norms and structures with the aim of rebalancing unequal power distribution between persons of various genders, (3) supporting the development of women networks that aim at strengthening the position of women, and (4) increasing the visibility of women’s roles and contributions.</td>
</tr>
<tr>
<td><strong>Societal engagement</strong></td>
<td>Moreover, Fairtrade advocates for a broader transformation in political and social life and promotes gender equality and women's empowerment through work at all levels, and through a bottom-up and context-driven approach.</td>
</tr>
</tbody>
</table>
Access to energy

Introduction

The use of energy in agriculture is present throughout the supply chain. It includes from fuels to power up machinery or electricity for irrigation pumps to the energy used to produce off-farm inputs (agrochemicals), and firewood to cook and heat farm households. Currently, most of the energy used in agriculture comes from non-renewable sources, in particular fossil fuels, which contribute to GHG emissions. For agricultural sustainability, improved energy efficiency like installing energy efficient cookstoves or the implementation of renewable energy sources such as solar panels and solar thermal collectors are “pivotal to achieving economic sustainability and GHG emission reductions” (Alluvione et al., 2011).

Energy efficiency can also result in reduced dependency on external inputs, potentially lowering cost and increasing profits. In addition, efficiency and renewable options can be an opportunity to generate differentials, monetary incentives or premiums for reducing the impact on the environment. For example, through emission reduction units (ERUs). The transition and implementation could require sizable investments, but with external funding, it may provide farmers with another long-term source of income.

Agroecological principles informing the policy

Synergy  Resilience & adaptation  Diversification

Overarching policy position

In the quest to mitigate the effect and contribution to climate change, Fairtrade supports energy efficiency and values renewable energy alternatives that allow POs to reduce cost and dependency, e.g. by generating their own electricity. Lowering GHG emissions through less fuel consumption and the application of renewables further allows POs to earn income through emission reduction units (ERUs).

9 See Fairtrade’s efficient cookstove project.
Food security and nutrition

**Introduction**

Adequate food is a human right. The deprivation or lack of food availability, accessibility, and adequacy may affect the exercise of other human rights and negatively impact the well-being of farmers and workers. For example, lack of sufficient, quality and nutritious food can have negative effects on the health, quality of life, profitability and productivity of farmers and workers. Small-scale farmers and farm workers, despite being responsible for a large part of the agricultural production, are also one of the "most food-insecure and poorest populations" (Alpízar et al., 2020). Workers in SPOs, CPOs, and some HLOs, are likely to be in this group.

Among factors of recurrent food insecurity for smallholder farmers are "age, size of the household, land tenure and technical education," and factors of episodic food insecurity are related to "short term availability of labour and capital to avoid the crisis" (Alpízar et al., 2020). Climate change is also a factor that exacerbates food insecurity among small farm settings.

One countermeasure is diversifying agriculture production and introducing sustainable agricultural approaches such as agroforestry to increase the "variety of food and income sources", reducing the risks of chronic food insecurity.

**Agroecological principles informing the policy**

- **Social values & healthy diets**
- **Co-creation of knowledge**
- **Fairness**
- **Diversification**

**Overarching policy position**

Every person has the right to healthy and culturally appropriate food and nutrition. Fairtrade recognises food sovereignty and works to protect Fairtrade farmers, and workers’ right, availability, utilisation, and access to healthy, nutritious, diversified and enough food that are embedded in local ecosystems and food traditions, and that enable an active and healthy life.

**Specific policy positions**

- **Diversification** Fairtrade supports the development of farm diversification strategies and the adoption of agroecological practices (e.g., agroforestry) to strengthen food security and nutrition.
Efficient use of pesticides and agroecological alternatives

Introduction

Synthetic pesticides are commonly used in conventional agriculture to control weeds and pests. However, only small amounts – less than 0.1% – of the pesticides applied reach the objective (Duke, 2017; Pimentel, 1995). Risk related to these chemicals are many and range from affecting the environment and impacting human health, to lower yields and reduced productivity in the long term.

For example, excess of chemicals, and their incorrect application can affect soil fertility, create dependence and affect the economic standing of farmers. Furthermore, overuse and miss application can adversely affect biodiversity, human health (from farmers, field workers and consumers), and can lead to pest resistance, as well as water contamination.

By introducing alternative measures to prevent and protect crops from pests and diseases, such as enhancing soil health, using natural enemies or natural biopesticides, advanced mechanical weeding technologies it can help farmers, their families, and workers, in the long term, to increase productivity and reduce costs positively affecting living incomes and workers’ wages and health, among other things.

Furthermore, by applying only natural or agroecological alternatives, and in combination with other practices and certification programs, POs can access organic markets and the organic differential.
## Specific policy positions

<table>
<thead>
<tr>
<th>Policy Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organic agriculture</strong></td>
<td>Fairtrade promotes and supports the adherence to organic certification standards as part of agroecological practices to reduce and eliminate external chemicals inputs. Simultaneously, Fairtrade advocates for producers to obtain the organic differentials or price premiums for certified organic products [see also: Agroecological Practices (APs) policy].</td>
</tr>
<tr>
<td><strong>Agroecological alternatives</strong></td>
<td>Fairtrade promotes and supports the substitution of chemical and synthetic pesticides with agroecological alternatives, and the efficient and appropriate use of agroecological alternatives to minimise impact on the environment and society.</td>
</tr>
<tr>
<td><strong>Management of pest</strong></td>
<td>Fairtrade promotes the agroecological management of pest and crop diseases to combat the overuse and misuse of pesticides, which consist mostly of preventive measures and involves the encouragement of natural pest predators. Fairtrade also supports POs in the implementation of IPM (integrated pest managements) plans with special emphasis on biocontrol and agroecological alternatives.</td>
</tr>
<tr>
<td><strong>International legislation</strong></td>
<td>Fairtrade supports the implementation of pesticides-related legislation and actively helps and supports farmers in pesticide phase-out transitions. No pesticides prohibited by legislation in the international markets where Fairtrade operates, or pesticides with robust evidence of adverse impacts on sustainability, shall be allowed to be used by Fairtrade producers.</td>
</tr>
<tr>
<td><strong>Super-weeds</strong></td>
<td>Fairtrade raises awareness and works to avoid the use of pesticide- and herbicide-resistant insects and weeds (i.e. “super-weeds”), and works with POs and stakeholders to replace herbicides with advanced mechanical technologies.</td>
</tr>
</tbody>
</table>
**Agroecological practices (APs)**

**RISK: LACK OF APS APPLICATION**

**Introduction**

Conventional agriculture systems that apply unsustainable practices to maximise yields such as overuse of synthetic pesticides and fertilisers, the use of GMOs, and monocropping (Stony Brook University, 2021), can lead to environmental degradation (e.g., soil erosion, loss of soil fertility and biodiversity loss) and socio-economic issues (Rodriguez et al., 2009). Sustainable agriculture, on the contrary, can generate environmental, social and economic benefits. However, the adoption of APs has yet to be widely mainstreamed yet.

APs are linked to better ecological, economic and social outcomes, such as fertile and healthy soils, rich biodiversity, resistance to pests and diseases, adaptation to climate change, secure and quality yields. All ideally leading to better incomes and more equitable practices in terms of gender and increased opportunities for the marginalised groups. Economically it also means potentially having access to alternative markets like organic or other new/emerging, differentiated markets that offer a fair economic incentive for the adoption of sustainable practices.

Key factors for AP application are: sensitisation; education; decent income and wages; support through peer learning and premiums; support for organic certification (or other types of sustainable agriculture production) through the organic differential, and payments for ecological services.

**Overarching policy position**

Fairtrade progressively adopts and support processes that lead to the adoption of Agroecological Practices (APs) and reinforces agroecology principles within the system and with supply chain actors. In order to transition towards sustainable agricultural practices, Fairtrade coordinates work on key factors for adoption (e.g., sensitisation, education, income, premiums, differentials).
## Specific policy positions

<table>
<thead>
<tr>
<th>Policy Position</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agroecology adoption</td>
<td>Fairtrade promotes and actively supports the adoption or inclusion of APs that increase the sustainability and resilience of the farm, producers and workers.</td>
</tr>
<tr>
<td>Farmer knowledge and science</td>
<td>Fairtrade engages with POs, PN and farmers, as well as local NGOs and researchers trained in Participatory Action Research or similar methodologies, to jointly drive the creation, consolidation, and dissemination of knowledge related to APs. Fairtrade invests in work that integrates local knowledge, skills, and traditions with science to maximise the synergies of practices and benefits to the farm, producers, workers and local community.</td>
</tr>
<tr>
<td>Payments for ecological services</td>
<td>Fairtrade supports payments for ecological services or environmental payment services that reward producers for agroecological practices such as reforestation or non-deforestation. Fairtrade joins proven initiatives and conducts research on methodologies to establish the system, taking care not to engage in greenwashing nor creating perverse incentives.</td>
</tr>
</tbody>
</table>
Social equity and equality

RISK: SOCIAL INEQUITY

Introduction

Social equity is a key element for sustainable agriculture systems as it recognises “people and their quality of life” as a central issue (FAO, 2014; Tirado von der Pahlen et al., 2018). An equitable agriculture production system considers and benefits all social groups but brings particular attention to disadvantaged or vulnerable groups. In the agricultural context, social inequity is perpetuated e.g. through lack of financial inclusion, market barriers, misinformation, lack of infrastructure and investments and gender inequalities. Also, by an unequal share of responsibilities and profits in the supply chain.

By addressing the inequalities present among supply chain actors, in the workplace and in the Fairtrade system, POs, producers and workers’ conditions may be improved.

Overarching policy position

Fairtrade generally promotes fair and equal access to resources and opportunities, regardless of age, disability, gender, marital status, race, religion or belief, sex, sexual orientation and origin. Equal access includes a fair chance of gaining employment and accessing markets, education, infrastructure, services (e.g., financial services), information, and technology. Fairtrade also promotes fair and equal treatment among workers and works to reduce existing gaps and inequalities within the system.

Specific policy positions

Sharing of responsibilities

Fairtrade advocates for sharing responsibilities between supply chain actors and involving them in cost-sharing towards the ends of transitioning to more sustainable, equal and equitable forms of agricultural production.

Vulnerable groups

Fairtrade encourages POs to implement targets on hiring or recruiting minorities or the socially disadvantaged. For workers who suffered an injury and have a temporary or permanent disability and cannot perform the previous job, provide alternative work whenever possible.

Agroecological principles informing the policy

Participation
Biodiversity
Land & natural resource control
Co-creation of knowledge
Fairness
Efficient use of fertilisers and agroecological alternatives

RISK: NUTRIENT POLLUTION

Introduction

The use of fertiliser (both synthetic and biological) can negatively affect soils if they are not adequately and efficiently applied. Furthermore, over or untimely application can result in watershed contamination and decrease crop quality. Due to the high prices of synthetic fertilisers, SPOs are more likely to apply less than required. However, there can be perverse incentives created by the government or other supply chain actors to encourage farmers to use more, for example, by subsidising prices. Also, an increase in incomes could potentially result in more application of fertilisers.

By building farmers capabilities and understanding of the risk associated with fertilisers, and by exposing the benefits that substituting chemicals with other practices that allow efficient and timely natural fertilisation e.g. organic/bio-fertiliser, or other preparations made with farm resources, producers can potentially benefit over time from a cut in cost, from richer soils and increased yields and productivity, as natural fertilisers are less expensive and applicability can be sustained in time.

Overarching policy position

Fairtrade pursues the reduction and elimination of the use of and dependence on external synthetic fertilisers inputs, increasing self-sufficiency; the substitution of synthetic fertilisers with agroecological alternatives; the efficient and appropriate use of fertilisers; and reduction of chemical fertiliser contamination in soils, water bodies and food.

Agroecological principles informing the policy

- Input reduction
- Biodiversity
- Resilience and adaptation
- Synergy
- Co-creation of knowledge
- Land & natural resource control
- Diversification
Traceable supply chain

RISK: INABILITY TO TRACE SUPPLY CHAIN

Introduction

Unsustainable practices, such as leakage-in, could harm the Fairtrade system, PO, farmers and workers, and could generate problems with suppliers due to the inability to assure "certified" crops did not contribute to illegal activities or that they did not contribute to extensive damage to the environment or workers livelihoods. Furthermore, tracing the crops’ origin will become a key requirement in pipeline regulation (EU CSDD). Not producing or collecting traceability data could exclude POs from reaching certain markets, ultimately affecting PO’s ability to trade and maximise revenue.

Introducing systems capable of collecting and monitoring the required elements will be costly, but there are distinct advantages. Depending on the proprietary nature of the data and the capacity of POs to collect it, POs can leverage their monopoly position over data collection in their favour to run their business and find other potential usages, including the very sale of the data. Their journey towards such professionalisation will however need to be supported.

Agroecological principles informing the policy

Fairness

Connectivity

Overarching policy position

Fairtrade endeavours to create traceable supply chains in partnership with supply chain actors and expert organisations in the subject. Each supply chain actor participates in data generation and monitoring. Data at the production level is owned by POs, and data in further tiers of the supply chain is shared. Fairtrade works with POs to alleviate the capacity and administrative burdens of HREDD legislation.

Specific policy positions

Data ownership

Fairtrade supports POs to collect, process, analyse, and own the data that is generated through their internal management systems. Fairtrade also encourages POs to use the information generated for other purposes beyond auditing and compliance to run the business sustainably and take advantage of opportunities.

Leakage-in

Fairtrade takes action to prevent unfair trading practices and filters out products from the Fairtrade supply chain that were not produced under Fairtrade standards.
Reducing, recycling, reusing, and sharing

RISK: WASTE AND FOOD LOSS

Introduction

Food waste and food loss are global issues and of great public concern. “Roughly a third of the world’s food is never eaten, which means land and resources used and greenhouse gases emitted in producing it were unnecessary” (Project Drawdown, 2020).

Reducing food loss is vital to ensure sustainable consumption and production, as, among other things, it could potentially translate to using less water and chemicals and reducing GHG emissions. Also, it can be advantageous for producers since it is an opportunity to diversify (generating other sources of income) and reduce external inputs, reducing costs, increasing revenue and productivity, and ultimately impacting farmers’ and workers’ livelihoods.

A concept related to food loss and linked to sustainability is circularity or circular economy. POs, can implement several practices that involve circularity, for example, turning into by-products crops that did not pass the quality control for export but are in good condition to be consumed locally after some processing. Another example could be using organic waste to cover the soil or creating green manure to fertilise.

Agroecological principles informing the policy

Overarching policy position

In order to mitigate the side effects of waste on the environment and leverage proven opportunities that could lead to economic benefits, Fairtrade works to prevent and reduce waste, especially toxic waste, food losses and the inefficient use of waste resources at PO level. Fairtrade also advocates for the same reduction of waste in supply chains.
Appropriate housing

**RISK: SUBSTANDARD HOUSING**

**Introduction**

The human right to adequate housing entails "the right to live somewhere in security, peace and dignity" (OHCHR, n.d.). In rural areas, substandard housing is more prominent and lacks physical and social infrastructure.

Poor housing conditions can affect workers’ health, well-being and work performance. Likewise, inadequate housing offered by employers could affect their profits with workers living in suboptimal conditions.

For workers, there are similar consequences, mainly when POs supply housing as part of compensation. Thus, it is crucial for a farm’s performance to cover the basic living conditions like drinking water and sanitation, as POs are at risk of a loss of productivity or a decrease in yields and efficiency since workers might not be at the best of their potential or could be unmotivated. Workers and farmers who are unmotivated and/or face health issues would be less able to adopt Agroecological Practices, as they may be labour intensive or require time to be implemented.10

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10 See R115 – Workers’ Housing Recommendation, 1961 (NO. 115) and the ILO Helpdesk Factsheet No. 6, 2009.

**Overarching policy position**

Fairtrade works to ensure that workers, in cases where employers include the provision of housing as part of remuneration, have access to decent housing that does not adversely affect their health and are aligned with ILO guidelines.
Introduction

Voices of POs, farmers and workers being heard across the supply chain and the Fairtrade systems are highly relevant for sustainability. However, agricultural workers often lack representation among the bodies that make decisions on the farm resulting in their interests often being neglected. Similarly, farmers or producers can be unrepresented or denied their right to be involved in POs’ decision making.

The incorporation of farmworkers in the dynamic of POs structure and other actors of the Fairtrade system could help build strong relationships and trust, bring innovation, productivity, and organisational improvement (e.g., inclusive and safe working environments), as for workers, “self-expression in voice often results in feeling valued, increased job satisfaction, greater influence and better opportunities for development” (CIPD, 2021). Similarly, the incorporation or fair representation of all actors in the Fairtrade system, POs and workers’ fair and equal participation in PNs, and PNs being involved in the discussion and development of Fairtrade policies and strategies could bring added value, understanding and better acceptance and adoption of the changes.

Agroecological principles informing the policy

Overarching policy position

Fairtrade supports participatory approaches that involve farmers in decision-making, and works to provide also worker representatives with: agency to take part in POs decision-making where they are impacted and their freedom to participate in trade unions and collective bargaining. Fairtrade furthermore invites worker representatives to participate in the work of PNs and the system at large.
### Specific policy positions

| Participatory process for policy development | Fairtrade involves worker representatives, NFOs and PNs to participate in the design of higher-level policies and standards by taking a bottom-up approach and integrating them throughout the process, and incorporating their recommendations, comments, and ideas in the final product (through consultations). Fairtrade also advocates for Fairtrade actors (e.g., producers, workers, producer networks) to be heard by other institutions, governments, in trade relationships and commercial relations. |
| Integration of workers | Fairtrade supports the integration of workers in POs governance structure and PNs to make sure they have the right agency and are able to participate in the decision making of those topics that could directly impact their health, well-being and livelihoods, such as, the premium investments, or the chemicals or protection equipment used for production. Fairtrade also integrate workers into the Fairtrade systems by reinforcing the message through PNs that they are part of the movement and broader organisation. |
| Co-determination | Fairtrade fosters PO and PN co-determination in decision-making and policy development by allowing them to co-develop and co-direct their future and supporting producer-led advocacy. |
Introduction

According to the ILO, child labour refers to "work that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental development" (ILO, n.d.). It includes work that "is mentally, physically, socially, or morally dangerous and harmful to children; and interferes with their schooling by depriving them of the opportunity to attend school or obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work" (ILO, n.d.). The definition and specification of child labour is premised on the minimum age of employment, as stipulated in ILO Convention No. 138 concerning the minimum age, and ILO Convention No. 182 concerning the worst forms of child labour, which includes the practice of hazardous child labour and child trafficking for labour purposes.

The agriculture sector accounts for approximately 70% of the world’s working children in terms of individual child labourers (FAO, n.d.-a; ILO & UNICEF, 2021). One of the main root causes of child labour is poverty. However, other factors may also push children into exploitation, such as cultural beliefs and lack of school infrastructure.

Child labour affects the social, economic and environmental domains, hindering sustainable agriculture development. Starting with the effects on children, farm work (e.g., exposure to pesticides and working extensive hours under high temperatures) can place their health and well-being in danger. Child labour that prevents children from pursuing a proper education may result in low-skilled labour, thus perpetuating intergenerational poverty.

The elimination of child labour, and the protection of child rights improves human capital outcomes. In addition, its elimination has other economic ramifications. For example, adult wages are pushed up as the overall labour supply is decreased, and the more educated and skilled workers are in a position to properly adopt APs.

However, great care must be taken in withdrawing a child from child labour in line with the UN Convention on the Rights of the Child: if the child is not safely withdrawn and prevented from becoming engaged in even worse forms of labour, one is indeed not acting in the best interest of the child.

An integral part of successful child rights enforcement is the pro-active, economic engagement of youth of the legal working age, which is squarely addressed in the section Youth employment and decent livelihood opportunities (see also: Youth employment and decent livelihood opportunities (risk: youth unemployment, poverty, and lack of decent livelihood opportunities)).

Agroecological principles informing the policy

- Fairness
- Social values & healthy diets
- Participation
## Overarching policy position

In the pursuit of upholding the inherent rights of children, Fairtrade promotes, protects and strives for the fulfilment of child rights, in alignment with ILO definitions and international conventions. Fairtrade counters violations to said rights in its standards and audits, and works to develop the structure and capacity for monitoring, remediation systems (CLMRS). In the course of abolishing child labour, Fairtrade adopts child-centred and inclusive approaches, in line with the UN convention on the Rights of the Child and fosters an enabling environment for joint social protection responses.

## Specific policy positions

<table>
<thead>
<tr>
<th>Policy Position</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td><strong>Duty of Care</strong></td>
<td>In its withdrawal of children from child labour and coordination of tailored remediation, Fairtrade acts on its duty of care regarding the child's right to be protected against harm, as stipulated in the UN Convention on the Rights of the Child, by following four key principles: non-discrimination, best interest of the child, the rights of a child to survival and development, and respecting the views of the child in accordance with their age and maturity.</td>
</tr>
<tr>
<td><strong>Child labour monitoring and remediation</strong></td>
<td>In order to responsibly withdraw identified children from labour, notably ensuring that the child labour is sensibly ‘remediated’ without rendering the child worse off, Fairtrade endorses adopting effective systems that address wider risks to children's security and well-being. To this end, Fairtrade supports POs to implement CLMRS that integrates the best interests of the child, in particular its Youth-Inclusive Community-Based Monitoring and Remediation (YICBMR) system.</td>
</tr>
<tr>
<td><strong>CLMRS funding</strong></td>
<td>To build on the joint responsibility of supply chain and government actors and to co-finance CLMRS systems, Fairtrade rallies resources – and takes part in the development and implementation of (multistakeholder) programmes.</td>
</tr>
<tr>
<td><strong>Grievance mechanism</strong></td>
<td>Fairtrade establishes effective gender- and child-sensitive grievance mechanisms accessible to children and their representatives.</td>
</tr>
<tr>
<td><strong>Sensitisation</strong></td>
<td>Fairtrade partners with trade associations, industry initiatives, the public sector, NGO entities, as well as private actors to deliver sensitisation to communities with a high child labour incidence.</td>
</tr>
<tr>
<td><strong>Family-friendly policies</strong></td>
<td>Fairtrade promotes and rallies resources for the adoption of family-friendly policies and initiatives that impact child labour outcomes, such as access to affordable child care, paid parental leave, child-friendly spaces in the place of work or full-time daycare with professional caregivers in or near workplaces.</td>
</tr>
<tr>
<td><strong>Child labour root causes</strong></td>
<td>Fairtrade works with POs, trade associations, industry actors, public sector or NGO entities, as well as private actors to develop interventions that tackle child labour root causes to the extent Fairtrade has leverage. Root causes include economic, cultural, and structural factors at various levels.</td>
</tr>
</tbody>
</table>

11 According to Webbink et al.'s (2013) framework on child labour root causes.
Labour rights

RISK: LABOUR RIGHTS VIOLATIONS

Introduction

In agriculture, workers often face unsuitable working conditions and rights violations that can compromise their health to the exercise of their rights, for example, informal and exploitative arrangements, lack of legal and social protection, antiunion practices, gender discrimination, hazardous work without the proper PPE, force labour, low wages and debt bondage (Jacobs & Cotula, 2021). Furthermore, in some countries, it could include violence and harassment.

The risk of labour rights violations is particularly elevated in conditions of informality and where there is little societal recognition for agricultural work. Agricultural workers are often among the poorest and most marginalised groups in society, and they suffer from low levels of registration, recognition and protection. Low literacy and educational attainment are associated with a lack of knowledge about labour rights and trade union participation. Low trade union participation generally negatively impacts wage levels and workers’ ability to positively influence working conditions. The result is a perpetuation of the poverty cycle.

The respect of – and support for – labour rights not only unlocks the potential for self-actualisation and self-determination, impacting labour output, but also fosters greater employee/worker engagement and retention.

Agroecological principles informing the policy

Overarching policy position

In order to uphold the positive and negative rights of all types of workers, Fairtrade explicitly enshrines worker rights, position, agency and potential in its standards; supports stronger participation and representation of workers throughout the Fairtrade system; and works to create safe and healthy work environments.
Specific policy positions

**Forced labour**
Fairtrade works against direct or indirect engagement with forced labour including bonded or involuntary prison labour, instead it supports compliance with all human rights.

**Collective bargain and trade unions**
Fairtrade: 1) works to ensure all POs workers (formal and informal) are free to execute the rights to negotiate the terms of their employment individually or as a group, adhere to an association defending workers’ rights, and collectively bargain, without retaliation, especially in those regions with low unionisation and a history of anti-union animus; and 2) supports and formally recognises trade unions as the primary legitimate representation of workers and invites them to take part in the Fairtrade system to articulate worker interests.

**Labour rights**
Fairtrade promotes respect for labour rights in the workplace based on national and international labour standards, and works closely with members to guide POs towards adoption and compliance with those standards. In case of a conflict between national and international standards, Fairtrade promotes those that offer the highest level of rights and freedoms to workers.

**Sound industrial relations**
Fairtrade promotes ‘sound industrial relations’ between certified entities and organised labour in order to promote decent work in workplaces across its system, to ensure collective bargaining, and to champion living wages.
Land rights

RISK: LAND RIGHTS VIOLATIONS

Introduction

Land tenure security is a severe risk for farmers in some producing countries. It is also a key element in sustainable agriculture as people's perception of the protection and enforcement of their rights on land may influence investments and sustainable resource management (LandLinks, n.d.). For example, suppose farmers do not own the land or are at risk of losing it for various reasons such as regulations or because they do not have the proper certificates to prove farm ownership. In that case, they are less motivated to invest in the soil and Agroecological Practices.

Furthermore, land tenure is linked to inequalities in gender and other vulnerable groups such as indigenous communities and migrants, who often face unequal access to resources. Often these groups are prohibited from owning land affecting their rights, access to resources, food security and means to achieve decent livelihoods.

By addressing structural issues linked to land tenure and security, like unequal access, birth registration, and poor land ownership system, there could be better adoption of sustainable agriculture.

Agroecological principles informing the policy

<table>
<thead>
<tr>
<th>Fairness</th>
<th>Social values &amp; healthy diets</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; natural resource control</td>
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</table>

Overarching policy position

In striving for secure land tenure for producers, including the formal documentation thereof, Fairtrade works with the private and public sector to uphold, in line with UN conventions (UNDROP and UNDRIP), equal access to land and resources as well as the protection of property rights, requiring the settlement of disputes wherever they arise. Fairtrade furthermore advocates that governments promote, acknowledge and respect land tenure certificates or comparable documents (e.g. demarcated indigenous lands), provide transparent, accountable and accessible land administration, responsible agricultural investment, and clear rules against land grabbing.
Health and safety

RISK: WORK RELATED MORBIDITY AND MORTALITY

Introduction

Occupational safety and health in agriculture are crucial for the social sustainability of employee relationships in all business sizes and types since “improving healthcare, fighting disease and increasing life expectancy” contributes to “economic growth and long-term success” (FAO, 2014).

Furthermore, the right to a safe & healthy working environment is now part of the ILO’s Declaration of Fundamental Principles and Rights at Work (International Labour Conference, 2022).

In general, the lack of adequate or good labour practices in the agricultural sector impacts workers’ health, quality of life and the household’s income. For example, agricultural workers are exposed to hazards by applying toxic chemicals, operating hazardous equipment, and when workers are not provided or are not using appropriate PPE.

In addition to direct social and economic impacts to workers, it could also have adverse effects on farms and POs productivity and crop yields, causing, for example, breaches of contracts with customers, increasing administrative expenses, recruitment and re-integration efforts (FAO, 2014) and non-compliance (standards and laws) cost.

Therefore, productivity cannot be achieved or sustained if the labour force is suffering from significant morbidity and health issues. The working environment is key to the health and well-being of workers. This includes providing clean facilities, the correct protective equipment, training and any other elements that would prevent “health hazards originating in the working environment” (FAO, 2014).

Agroecological principles informing the policy

Overarching policy position

Fairtrade strives for fair, equitable, and safe working conditions where workers and producers are able to uphold their physical, mental, and emotional health, as well as their social well-being, in line with international standards.
Conclusion
The policy positions herein represent the view of Fairtrade – as a value-driven organisation – on how sustainable agriculture may be understood within its own system. This document responds to the objective set out in the new Fairtrade 2021-2025 Global Strategy to undertake a holistic approach to achieving sustainability and making progress in all spheres of development: social, economic and environmental.

The process of developing these comprehensive sustainability policies started with the review of literature and the development of a sustainable risk framework tailored to Fairtrade. Key literature consulted included the “Planetary Boundaries” of the Stockholm Resilience Centre (2016), the related “Doughnut Economics” by Kate Raworth (2017), the COSA (n.d.) framework of sustainability, and last, “The Sustainable Agriculture Matrix (SAM)” by Zhang et al. (2021). As a result, 25 key challenges or risks faced by Fairtrade-certified POs to achieve sustainability were identified.

Second, to draw on knowledge within the Fairtrade system, a risk assessment was rolled out in the form of an online survey format, consisting of the prioritisation of the 25 identified risks. Respondents comprised Fairtrade staff, FLOCERT, NFOs and POs. In addition, key informant interviews were conducted to collect specific views and recommendations pertinent to the sustainability issues faced by Fairtrade.

In parallel, a third step was pursued, which involved identifying a sustainable agriculture approach that Fairtrade should adopt. Agroecology was selected after an extensive review, analysis with alternatives, and the internal (Fairtrade) and external (opinion leaders) endorsement of the approach. The five main reasons for adoption are the following.

First, the approach aligns with Fairtrade’s origins, mission, vision, theory of change, and foundational topics to the Fairtrade movement, such as empowering vulnerable or marginalised populations in rural areas.

Second, agroecology is a bottom-up approach aiming at contextualised solutions incorporating local contexts and constraints, which means it applies to any plantation or smallholder farm independent of the type of crop, soil, climate, or other condition.

Third, the approach extends into the universe of interactions, synergies and trade-offs among agricultural production for human consumption and natural ecosystems.

Fourth, agroecology aligns with already achieved Fairtrade’s sustainability objectives (e.g., many Fairtrade-certified POs have already adopted organic farming).

Fifth, agroecology was endorsed by the recently amended French law on climate change and was linked to the ‘fair trade’ industry.

The integration of all these steps and informed by the agroecological principles and the observation of relevant international conventions lead to the development of these comprehensive policies. These positions thus reflect the collective thinking of the system, while also taking into account experts’ recommendations, the academic literature and traditional knowledge.
A common theme underpinning each of the policy positions are the corresponding agroecological principles. This allows adaptability, as instead of offering universally applicable solutions, principles may be adapted to differing contexts and scales. From an operational perspective, principles help guide the planning, implementation, and evaluate agroecological transitions and transformations toward more sustainable agri-food systems.

Moreover, agroecology’s five levels of sustainable agroecosystems conversion are highly applicable to Fairtrade’s sustainability transition.

In sum, by moving towards sustainable agriculture, Fairtrade has the potential to achieve positive impact, benefiting producers, workers, consumers, and the environment alike.

Figure 4: Levels to sustainable agroecosystems conversion

- **LEVEL 1**: Increase the efficiency of conventional practices to reduce externalities
- **LEVEL 2**: Substitute conventional inputs and practices with alternative practices
- **LEVEL 3**: Redesign the agroecosystem so it functions on the basis of ecological processes
- **LEVEL 4**: Re-establish a direct connection between food producers and consumers
- **LEVEL 5**: Transform food systems so food justice and sustainability are paramount
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