

**Terms of Reference**  
**Evaluative study on the impact of Fairtrade on flower workers and market access of flower farms**

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**Fairtrade International is seeking expressions of interest from qualified consultants or research teams to undertake a study on the impact of Fairtrade on flower workers and market access of flower farms**

### **Introduction**

Fairtrade's approach aims to enable farmers and workers to have more control over their lives and decide how to invest in their future.

As a leader in the global movement to make trade fair, Fairtrade supports and challenges businesses and governments while connecting farmers and workers with the people who buy their products.

By choosing Fairtrade, people can create change through their everyday actions. A product with the FAIRTRADE Mark means producers and businesses have met internationally agreed standards which have been independently certified.

To achieve its overall goals and bring about change Fairtrade has several types of interventions:

- **Set of standards:** the standards include a range of economic, environmental and social criteria that must be met by producers and traders in order to acquire or retain Fairtrade certification. For detailed information about our standards, visit our website: <https://www.fairtrade.net/standard/about>
- Fairtrade engagement on the ground – e.g. **producer programs, capacity building and projects**, including amongst others producer level investments related to Fairtrade Sourcing Programs.
- **Advocacy & campaigns** to promote the Fairtrade model and raise awareness around human rights and promote fairer trade practices among consumers, governments and the industry.

### **Background**

99% of all Fairtrade flowers originate in East Africa with Kenya (52%), Ethiopia (41%) and Uganda (5%) as main countries of origin. An overall of 74 flower farms are currently Fairtrade certified, whereas 10 are in Ecuador, 8 in Ethiopia, 46 in Kenya and 7 in Uganda and 1 in Zimbabwe and Zambia each.

As one of the few Fairtrade products, Fairtrade flowers don't have a minimum price and the premium is not fixed but set as a percentage on the selling price of the farm. It is set at 10% on FOB. The reason for this is the fact that flower prices vary a lot between varieties, colors, stem length and season.

The relevant standards for Fairtrade flowers are

- [The Hired Labor Standard](#)
- [The Flower Standard](#)

Fairtrade flowers are mainly sold in Europe with the biggest markets Germany (57%), UK (11%), CH (7%), Nordics – SE, FIN, NO (14%) and Austria (5%).

The study by CEVAL<sup>1</sup> conducted back in 2018 on assessing the impact of Fairtrade on poverty reduction through rural development has shown, that Fairtrade contributes to a great extent to less risk and vulnerability and increased food security to workers, as it provides stable working conditions and income to workers; Fairtrade also contributes to a great extent to improved access to basic services through

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<sup>1</sup> Follow up Study – Assessing the Impact of Fairtrade on Poverty Reduction through Rural Development, CEval, 2018

substantial investments in education and health; Fairtrade contributes to a very great extent to increased dignity, confidence, control & choice, as workers appeared to be proud of their work, considering it among the best in the region; Fairtrade contributes to a great extent to enhanced influence & status as workers can actively influence decisions through a strong role of the union. [This study](#) should form the baseline for the study that is commissioned by this call for tenders.

Fairtrade is acting as the only consumer relevant sustainability label in the flowers & plants market. Other certification schemes are less known worldwide or acting as a B2B label. The only other consumer label in flowers which was just recently launched is the GGN label from Global Gap. In order to receive the label, the farm of origin needs to fully comply with the GLOBALG.A.P. Risk Assessment on Social Practice (GRASP). A full overview of the different sustainable schemes in the flower industry is provided by the [FSI flower basket](#).

Fairtrade International (FI) is seeking a consultant or team of consultants/researchers for an evaluative study to assess whether the adoption of Fairtrade standards and the journey with Fairtrade has brought about change and improvement in the flower industry for Fairtrade flower workers and farms.

## 1. Overall objective

- a. This study should serve as a data / knowledge basis to give clear and credible arguments in favour of Fairtrade flowers to commercial partners and consumers.
- b. The study should however also indicate where Fairtrade needs to improve to sustain its leading position

The assessment will provide answers to the following questions:

### *General*

1. Which are the key changes / improvements according to workers and farm management after getting the Fairtrade certification or in comparison to non-Fairtrade certified<sup>2</sup> in the same region? Are there countries/regions where the changes are bigger than in others?  
→ Which changes / improvements are seen as most essential for the workers and the farm management?  
→ Are there topics where Fairtrade certified farms are worse than others? Which ones? Which certifications lead to better results?
2. What has been the reason of the farm management to get Fairtrade certified? Is it improved sales or other topics such as for example a better relationship with workers?  
What benefits of Fairtrade certification does the management see? Does Fairtrade certification help to sell the flowers<sup>3</sup> of certified farms (as Fairtrade and/or as conventional)?
3. How much have the pandemic and new strategies/approaches adopted by Fairtrade as a way of mitigating the pandemic stressors, impacted how workers and farm management perceive Fairtrade certification? What key benefits has Fairtrade certification for the workers and the farm during the pandemic?

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<sup>2</sup> At least one of the non-Fairtrade certified farms should have a Global GAP & GRASP certification and at least one of the Fairtrade certified farms should have Fairtrade but not Global GAP & GRASP certification.

<sup>3</sup> Eg. Has it created more / new market access for farms and connected them with traders and the end customers looking to buy flowers from Fairtrade certified farms? Do farms aim for 100% Fairtrade sales looking at their production or do they prefer to keep conventional trade channels – for what reasons?

### *Social Development*

1. Fairtrade Premium
  - Which area of investment of the Fairtrade Premium is most appreciated by the workers?
  - What role does the standard requirement 2.1.20 play with the optional distribution of premium in cash? Why is it used and why is it not used? What are the alternatives?
  - Sometimes, premium money is distributed through farms in-kind items to the workers (eg. mattresses, gas cylinders etc.) Do the workers really keep those items? How many of them resell them?
2. Fairtrade Awareness
  - Which share of the workers really know about Fairtrade? What does this implicate?
3. Unions
  - How important are unions to the workers compared to the Fairtrade certification? How do the workers perceive the unions?
4. Empowerment of women
  - Has Fairtrade led to empowerment of women? If yes, in which way?

### *Labor Conditions*

1. Which requirements of labor conditions are most important to the workers and have shown the biggest impact? Freedom from discrimination, Freedom from forced and compulsory labor, Child Labor prohibition, Freedom of Association and Collective Bargaining, Conditions of Employment or Occupational Health and Safety? Why is this so?
2. Does Fairtrade certification lead to higher wages for the workers after getting the Fairtrade certification or in comparison to non-certified farms in the same region?  
What role does the introduction of the 1.9\$ PPP / day in the Fairtrade Flower Standard 2017 play for the question above and in the regional context of the flower farms?

### *Environmental Development*

1. How far does the Fairtrade standard go regarding environmental requirements compared to other (environmental) certifications the farms have? Is it regarded less, equally or more strict than other schemes (which ones)?
2. What elements could further strengthen the Fairtrade environmental Standard requirements? for flower producers?

### *Trade*

1. Do Fairtrade sales lead to more **long-term commercial relationships** compared to conventional sales? How did the pandemic influence the relationships?

## **2. Scope of Work**

There are currently 74 flower farms certified, some of which are certified since 2001. The study should focus on the most important origins and regions Kenya (Naivasha) and Ethiopia (Ziway). For comparison purposes, it would be advisable to also include at least 3 non-Fairtrade certified flower farms. For comparison purposes with Global Gap, it would be valuable to include at least one Fairtrade certified farm which does not have a Global Gap certificate and include at least one non-Fairtrade certified flower farm which is certified against Global Gap and their social assessment GRASP.

The work is expected to make use of mixed methods with a combination of robust quantitative and qualitative methods, comparing Fairtrade impacts to counterfactuals to determine attribution. This data collection is expected to take place in Q4, 2021. We look forward to proposals from interested research teams on adequate and feasible methodologies.

### 3. Timelines

It is proposed that this project starts in Q4 and should be concluded by end of Q2 of 2022. Of course, taking into consideration the current pandemic situation.

The study would involve a **preparation phase**, including the review of relevant documentation (literature review), which results in an inception report laying out the desk review results, the detailed study approach and final, Fairtrade-agreed research questions to be covered, including the proposed research methodology and sampling frame. A first draft of the **inception report** is expected to be delivered one month after contract start. Applicants are expected to use their networks to reach out to non-Fairtrade farms to be included in the study.

1. **Internal data collection and preparation of external data collection:** Data collection tools and a detailed sampling plan and procedures and consent forms would be developed in November (based on the agreed detailed research plan).
2. **Data collection (fieldwork) at PO level** is expected to take place in March/April 2022.
3. **Data analysis:** May 2022
4. **Data validation sharing meetings** with Fairtrade certified coops, Fairtrade Africa, FI-GPM in June 2022
5. **Reporting and the development of other outputs** (e.g. presentations), submission of draft reports (at least 2 review rounds) with at least 3 weeks per review round for Fairtrade to provide feedback for both the first draft and the final draft report: July/August 2022. The final report is expected to include a full, edited and designed version for web-publication as well as a Powerpoint presentation and a short, well designed summary in flyer format summarizing key findings. External facing documents need to comply with the European data protection codes.
6. **Social media communication material:** reporting of the main outputs which could be communicated towards consumers and market partners through stories in English or with English subtitles (of workers, farm management) including text, photos and names<sup>4</sup>. Produce short films (max. 5 minutes) for key stories of farm workers which represent the main outcomes. Final material expected by end of August / beginning of September 2022
7. **The final report shall be finalized and accepted no later than beginning of September 2022.**

### 4. Deliverables

See point 5 above.

- An edited and designed final report<sup>5</sup> of a maximum of 50 pages including an executive summary of maximum 4 pages), description of methodology, data analysis, results, recommendations (excluding appendices) will be submitted to Fairtrade International by beginning of September 2022
- Powerpoint presentation and a short, well designed summary in flyer format summarizing key findings
- At least 4 social media stories including material (photo, info etc.) and 1-2 short films
- A presentation of the methods, results and recommendations in Powerpoint, presented via webinar.
- 1-2 learning workshops (at least at producer level and 1 for Fairtrade)

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<sup>4</sup> Including written consent to release of the respective persons

## 5. Review process and timelines:

An initial draft of the report will be presented by June 2022 for a review by the project team. Subsequently, a revised draft of the report will be prepared and submitted to Fairtrade by August 2022 for final Fairtrade comments. The final **edited** report and flyer are to be delivered by end of beginning of September 2022.

## 6. Methodology

While mixed methods will be used, the research is expected to deliver some statistical evidence (at a minimum correlation, but ideally proof of causality). The methodologies are expected to include surveys among the workers and farm management. This primary data is expected to be strengthened with several qualitative interviews and the analysis of secondary data. The research team shall in the concept note explain how it will deal with the counterfactual situation, such as non-certified organizations or organizations certified by other labels.

## 7. Requirements for the research team:

The project will be awarded to an institution which can propose a consultant/researcher/team meeting the following criteria. It is also possible to work with an interdisciplinary team of people from different organizations with defined rules and one organization carrying the principle responsibility:

Essential:

- The consultant(s)/ researcher(s) should have demonstrable experience in research with producers and along supply chains; specifically, research experience in flower/horticulture supply chains would be an advantage.
- Research experience in certified supply chains, preferably in Fairtrade specific settings.
- Willingness to receive training on and abide by Fairtrade protection policy policies and ethical guidelines
- Fluency in English.
- Ability to present data concisely and clearly and to facilitate meetings and learning workshops
- Demonstrable policy on research ethics and the EU GDPR (General Data Protection Regulation)
- Knowledge and expertise in producing social media material or having a partner who has this

## 8. Budget

The available budget for this study is EUR 45,000 maximum to cover all deliverables listed above in section 4 and answer all research questions and sub-questions in section 1. A budget of EUR 5'000 is available for point 6 in section 3: Social Media and Communication Material.

## 9. Application process

Interested parties are encouraged to send their concept note for this study (not exceeding 10 pages) with a detailed budget and the below listed accompanying documents to Melanie Dürr ([m.duerr@maxhavelaar.ch](mailto:m.duerr@maxhavelaar.ch)) by 15<sup>th</sup> of November 2021.

Required documents:

- Concept note not exceeding the length of maximum 10 pages
- Detailed budget in Euro
- CVs of all members of the research teams and partners, including a description of foreseen roles and responsibilities for each involved partner
- Evidence of writing and analytical skills through the submission of at least 1 recent report from the lead researcher (as the main author) responsible for composing the final report.