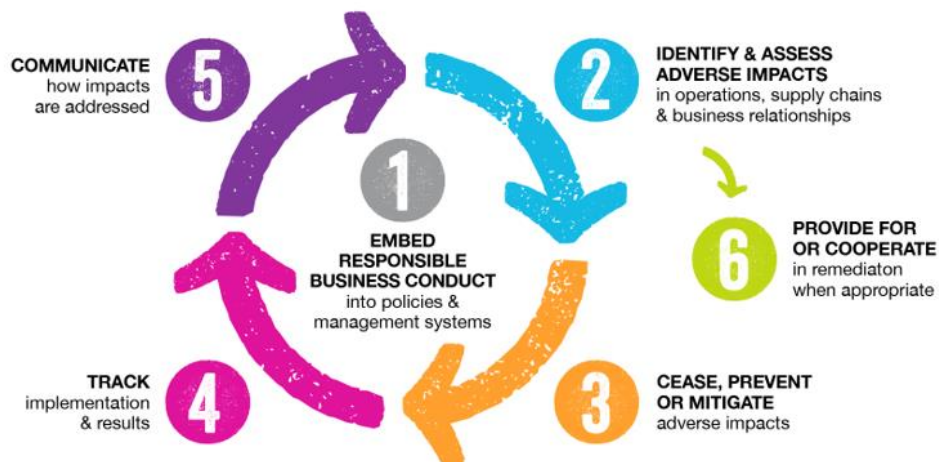


Call for offers: HREDD guidance for Fairtrade certified hired labour organisations

22.11.2021

Background

Fairtrade aims to support supply chain actors in meeting the rising Human Rights and Environmental Due Diligence (HREDD) expectations. In line with the UN Guiding Principles on Business and Human Rights (UNGPs, 2011) and the increasing number of binding HRDD laws, business organisations around the world are expected to do HREDD – and also support their supply chain partners' due diligence work.



Graph 1. The six steps of due diligence

Fairtrade sees that the most serious human rights and environmental violations often take place at the start of global supply chains. Agricultural producers need co-investment and support from traders, manufacturers, retailers, brands and governments, to address the risks and issues in their operating environments. Fairtrade works to ensure this co-investment and support.

At the same time, Fairtrade is committed to support the efforts of Fairtrade certified producer organisations to do HREDD and also to influence how their business partners do HREDD. Doing and communicating about their due diligence work is increasingly important for producers' market access. Typically, Fairtrade certified producer organisations are already aligned with several but not all due diligence expectations.

Objectives

In this context, Fairtrade wishes to develop

- **a stand-alone guide for Hired Labour Organisations (HLOs)** on how to do HREDD. HLO refers to any type of a producing company that employs and relies on hired workers: Farms, plantations, estates, manufacturers etc. The length of this guide should not exceed 35.000 characters.
- **a facilitation guide** for the staff of Fairtrade Producer Networks, who train HLO staff members on how to do HREDD.

Fairtrade is currently developing similar guides related to smallholder producer organisations (SPOs). These SPO materials can serve as a basis for the HLO materials.

The due diligence activities to be covered are

1. commitment and training on human rights and environmental sustainability
2. human rights and environmental risk assessment
3. policies on salient human rights and environmental issues; prevention, mitigation and remediation plan
4. tracking
5. reporting
6. grievance mechanism

These materials will guide the future development of our Producer Support, Standards and Assurance work.

We now seek an external expert to develop this guidance and facilitation guide with us. The key tasks of this expert are to

- Interview three-five front-running HLOs, to identify some good practices in implementing (some of) the above steps.
- Revise the guide and facilitation guide developed for Fairtrade SPOs, to suit hired labour settings and to highlight the identified good practices.
- Incorporate two rounds of feedback from Fairtrade staff.
- Support Fairtrade staff members/facilitators in developing two pilot trainings (within on country). One full work-day should be reserved for each the facilitators.
- Observe the actual pilot trainings; discuss lessons learned with the steering group and integrate the findings.
- Final revision and polishing of the materials.

The interviews and pilot trainings can be undertaken in Southern or Eastern Africa, for example on South African wine plantations or Kenyan flower plantations. If Fairtrade staff undertakes further interviews and/or pilot trainings in other regions and share the findings at a suitable point in this project, the chosen expert is to also incorporate their findings.

The project is coordinated by Fairtrade's Centre of Excellence on HREDD and supported by a small steering group. This steering group will ensure that the materials build on relevant previous and ongoing work at Fairtrade.

In addition to text, visual elements (graphs, infographics etc) are important. **The expert is expected to develop the texts and offer ideas for the visual elements.** Fairtrade will develop slides, podcasts, videos and a visual 2-page summary of the materials separately, after this project.

Timeline and application

We hope this project can be finalized by the end of March 2022. The SPO materials are available in December 2021.

The deadline for offers is **6 December 2021**. Please send your offer by email to Meri Hyske-Fischer, Human Rights Coordinator, meri.hyske-fischer@fairtrade.fi indicating: "HLO Guidance" in the subject line.

Your offer should contain

- a cover letter
- proposed budget with breakdown
- information about the project lead's relevant past experience and CV. If relevant and possible, please also include information about possible contributing expert's past experience and role in this task.
- indication on whether you find the above timeframe feasible

The offer should include VAT if applicable. Other potential expenses should be specified but the exact sums may be estimations. Please include the hourly rates of the prospective project leader and contributing experts, in order that we can assess the budgetary implications of any changes to the above-mentioned methodologies.

Further information about contents

The materials are to align with key HREDD guidelines, such as the UNGP, UNGP Interpretive Guide, OECD Due Diligence Guidance for Responsible Business Conduct and the OECD-FAO Guidance for Responsible Agricultural Supply Chains.

The OECD Guidance opens with 12 "Essentials" of the due diligence process, some of which are worth highlighting here:

- *Due diligence is appropriate to an enterprise's circumstances and does not shift responsibilities:* Retailers, manufacturers and traders have a responsibility to contribute to the prevention, mitigation and remediation of human rights and environmental violations in their supply chains – yet in many

supply chains, the distribution of value continues to be very unequal. Therefore, HLOs cannot be expected to strengthen their HREDD work rapidly.

- *Due diligence is informed by engagement with stakeholders*: Stakeholder and particularly rightsholder engagement should be central in Fairtrade's HREDD approach. Fairtrade's close relationship with rightsholders – farmers and workers – is our strength in HREDD.

Human rights commitment

As the first step in the due diligence process, business organisations are expected to make a public commitment to respect human rights and continuously develop their due diligence activities.

Related guidance:

- OECD-FAO "Model Enterprise Policy for Responsible Agriculture Supply Chains" on p25-29 [here](#).
- Fairtrade's own Human Rights Commitment can be found [here](#).
- *How to Develop a Human Rights Policy Guide* by Global Compact.
- Fairtrade Organisation [Code](#) includes e.g. a principle that Fairtrade respects, protects and champions human rights.

Human rights risk and impact assessment

One of the big shifts between the earlier Corporate Social Responsibility thinking to today's HREDD thinking is that companies no longer have the power to decide which social and environmental issues they wish to focus on: In due diligence, companies are to conduct a comprehensive, systematic assessment of the human rights and environmental problems related to their operations and focus on reducing the most serious problems. So a proper assessment of the risks and existing adverse impacts is central in HREDD.

Related guidance:

- OECD [DD Guidance](#) outlines the key steps of HR risk and impact assessment, p.25-28 and 61-73.
- Succinct 4-pager from Just Governance Group [here](#)
- Guidance from Institute for Human Rights and Business [here](#)
- Guide from Global Compact Network Germany et al [here](#)

Note: Key changes compared to previous requirements and guidance by Fairtrade include the emphasis on

- assessing all human rights and environmental risks and challenges.
- open recognition and communication of risks as a good practice that can support market access.
- the importance of referencing publicly available statistics and risk information

Prevention, mitigation and remediation plan

After the human rights risk and impact assessment, organisations are expected to design and implement a rolling, time-bound action plan to prevent, mitigate and remediate the biggest risks and harms identified.

Further information:

- OECD [DD Guidance](#) pages 29-31, 34-35, 74-81 and 88-91.

Human rights-based grievance mechanism

HLOs are expected to design and run grievance mechanisms, to enable them to identify human rights and environmental risks and challenges, improve communication with relevant stakeholders, and facilitate remediation.

Grievance mechanisms can serve HLOs as a locally based, mutually beneficial early warning system that prevents deeper conflicts and facilitates the settling of grievances between enterprises and affected communities.

Related guidance:

- Guidance from Institute for Human Rights and Business [here](#)
- OECD-FAO Due Diligence [Guidance](#) pages 33 and 53-54
- Fairtrade's very brief previous guidance note on grievance mechanism to HLOs

Background

Fairtrade International is a non-profit, multi-stakeholder association of 22 member organizations – three producer networks (Africa, Latin America and Asia) and 19 national Fairtrade organizations. The association has a central office in Bonn, Germany.

Fairtrade has a vision of a world in which all producers can enjoy secure and sustainable livelihoods, fulfil their potential and decide on their future.

To bring about change Fairtrade has several types of interventions:

- Set of standards and tools which make up the 'rules' for traders, plantations and smallholder farmer organizations engaging with Fairtrade. These standards are based on ILO conventions on decent work and Fairtrade's unique economic tools such as the Fairtrade Minimum Price & Premium and Trader Standard requirements
- Producer support and development programmes on the ground.
- Political advocacy and awareness raising campaigns

Fairtrade is in a process of strengthening the outcome-based elements and HREDD related requirements in its Standards.