

# Agroecology & Fairtrade

## A policy position for sustainable agriculture under Fairtrade terms

October 2022

Sustainable Agriculture or alike (Sustainable Farming) are terms used by Fairtrade in various working contexts. It appears in strategic documents and in our external communication. Still, the term is used as 'buzz' word and it may be interpreted differently by different people.

Absence of a clear definition causes confusion and is an obstacle for alignment and working strategically.

At the same time, international sustainability debates advance with emerging concepts, particularly in the agriculture domain. Sustainability is increasingly regarded as a holistic concept (environment, economic, social dimensions). The interlinkages between agriculture, environment, and climate change, on the one side, with social development as the second and economic viability as third dimension of sustainability, are fundamental for Fairtrade's mission and vision.

Promoting sustainability in agriculture under the bases of Fairtrade means better protecting the natural resources (healthy environments) of producers and workers, therefore contributing to achieving sustainable livelihoods. Hence, Fairtrade needs to develop a clear definition and approach on how to implement sustainability in agricultural production due to most Fairtrade standards are defined for agricultural products.

Therefore, the ultimate goal of this paper is to define a position on Sustainable Agriculture in context of a Fairtrade certified production. This policy paper is result of an extensive review of academic publications, expert views, and producer's perspectives. It presents a set of 25 policy positions relevant to sustainable agriculture and collect concerns and recommendation of the 14 most suitable approaches to sustainable agriculture, selected from the analysis of - internationally recognized organization- IUCN.

The paper represents the result of a highly consultative process including inputs provided by 25 key informants from the Fairtrade system, 230 fairtrade certified producer organizations and 13 external peer reviewers/experts in the field of human rights, economy, gender, agronomy, forestry, and public health. It concludes with the general consensus that, in order to operationalize the 25 policy positions, Fairtrade must transition toward embracing *agroecology*. The FAO-Definition displayed hereunder and in particular the description of Wezel et al. (2009) that "*agroecology ...[is]...a science, a practice and a social movement*" highlights that agroecology is far more than just an agricultural approach. In particular the aspect of "social movement" and its openness for both organic and conventional agriculture make it the most appropriate solution for the many sustainability challenges Fairtrade is facing.

The document is divided into three main sections: First a background information, where the concepts are explained as well as its purpose and the theoretical frameworks. Secondly, a problem analysis, digging into the current context of operation, and its repercussions and suggestions within the Fairtrade system. Thirdly and final, the set of 25 Fairtrade positions relevant to sustainable agriculture.

In summary, the key recommendations of this policy paper can be summarized as follows:

- Embracing agroecology elements as overarching set of principles to best approach sustainable agriculture under Fairtrade terms.
- Referencing FAO's definition for 'sustainable agriculture' (1990) as well as for 'agroecology' (2018) in order to achieve alignment on terminology.
- Using the risk framework for sustainable agriculture which consists of 25 risks categories as an adequate foundation for the policy in response to these risks.
- Use the 25 general and specific policy recommendations for the related risk categories included in the annexed baseline report, as a basis for deriving further actions. The baseline report prepared by consultancy firm Development International, includes suggested programmatic actions, and valuable inputs in the following categories: Standards; Awareness; Capacity; Funding & Insurance; Data collection/Analysis & Learning; Incentives; Advocacy; Partnership.

This policy paper provides the organization with a clear vision for its journey towards sustainable solutions within its sphere of influence. In the interest of producers and the protection of their resource base, in the interest of fair and sustainable trade as well as food systems, in the interest of consumers ready to pay fair prices for sustainably produced and traded products and in the interest of a healthy planet on which we all depend and whose planetary boundaries and ecosystems have been disregarded for too long. Change is now, let's embrace it.

## **1. Background information**

The positions here presented represents the view of Fairtrade – as a value-driven organisation – on how sustainable agriculture may be understood within its own system. This policy paper responds to the objective set out in Fairtrade's 2021-2025 Global Strategy to undertake a holistic approach to achieving sustainability and making progress in all spheres of development: social, economic, and environmental.

This paper also reflects Fairtrade thinking, intentions and aspirations with regards achieving sustainable livelihoods in the agriculture sector. The document is the result of coordinated actions between Global Products, Program and Policy (GPPP) and External Relations units of Fairtrade International, in association with the Centre of Excellence Climate and Environment.

Each position has been enriched by an extensive consultative process from internal and external stakeholders and supported by a team of professionals from Development International e.V. (DI) under the advocacy component of the European Union Framework Partnership Agreement (EU FPA) project. The assignment was conducted in the period of June 2021 until June 2022. The scope of the consultancy was global, with a particular emphasis in products such as coffee, bananas, sugar, flowers & plants, tea, but also fruit/juices, herbs & spices, honey, nuts/oils, quinoa, rice, vegetables, wine, and composites. Also, in-scope were the Fairtrade Carbon Credits under the Climate Standard. The main outputs of the consultative consultancy process were a comprehensive baseline report including an executive summary in which recommendations are made to Fairtrade International. These recommendations serve as supporting material to this policy position and are included hereunder as annexes.

In essence, this policy paper builds on recommendations linked to the risk framework encompassing 25 categories<sup>1</sup> and an extensive analysis of 14 most discussed approaches to achieve sustainable agriculture. It undergone a very thorough and participatory process and therefore provides very robust set of 25 policy positions (one per risk category) as well as a solid mandate for change respond to each risk categories, in a way that is science-based, up- to-date, concrete, and operational-oriented elaborations of the Fairtrade Vision statement:

*“Fairtrade’s vision is **a world in which all producers can enjoy secure and sustainable livelihoods**, fulfil their potential and decide on their future.”*

This policy paper aims to facilitate 1.) a fundamental policy shift of the Fairtrade system towards more sustainability in identified “risk areas”, and 2.) because agricultural production under Fairtrade needs to become more sustainable in order to remain a relevant leading Voluntary Sustainability Scheme. Furthermore, markets are increasingly perceiving the climate and environmental crises as their main challenge; therefore, the ask for Fairtrade is to be fully fit for purpose in this regard. Neglecting this reality could end become Fairtrade as increasingly irrelevant vis-à-vis the challenges posed by the climate and biodiversity crisis - to name just a few of the multiple crises facing agriculture.

Because of this ambitious background, this document is comprehensive in several ways. It has been developed based on extensive academy documentation of the wider sustainability debate, as well as on peer reviews by leading scientists from various field of sustainability, in particular experts on human rights, economy, gender, agronomy, forestry, and public health.

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<sup>1</sup> The list of 25 risk categories includes: 1. Climate change, 2. Youth unemployment and lack of decent livelihoods, 3. Market barriers and anti-competitive behavior, 4. Low income and wages, 5. Land degradation, 6. Lack of primary & secondary education, 7. Water stress, 8. Biodiversity loss, 9. Soil organic carbon depletion, 10. Lack of water & sanitation, 11. gender inequality and inequity, 12. lack of access to energy, 13. food insecurity, 14. pesticide pollution, 15. Lack of APs (agroecological practices) application, 16. Social inequity, 17. Nutrient pollution, 18. Inability to trace supply chains, 19. Waste and food loss, 20. Substandard housing, 21. Lack of political voice, 22. child labour, 23. Labour rights violations, 24. Land rights violations, 25. Work related morbidity and mortality

The level of participation of Fairtrade System entities, producer organisations and expert staff has been very high, including also the two Centres of Excellence for Human and Environmental Right and, Climate and Environment. So, the fact-based analysis, conclusions and policy recommendations of this documents can be considered as reflecting the sustainability needs and voices of the entire Fairtrade System.

### **Purpose of this policy paper**

Fairtrade intervenes in the agricultural markets and supply chain, aiming to provide better terms of trade and to empower producers, in particular 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.

The achievement of "Sustainable Livelihoods" is absolutely dependent on a suitable climate and a healthy environment as indispensable preconditions for agricultural production, and both must be seen as closely interwoven and inseparable. Only recently, the UN has declared that a healthy environment is a human right. Yet the aims of achieving decent livelihoods and social justice in agriculture are confronted with increasing exogenous challenges, climate change, deforestation and biodiversity loss being some of the most significant. However, there are also other megatrends such as the continued unbalanced power relations in international trade evident through price risk exposure, demographical changes in rural landscapes particularly gaps for gender equity and youth empowerment, and land degradation that connects directly with climate change and biodiversity loss.

In that sense, Fairtrade 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.

With this policy, Fairtrade defines how it understands sustainability in social, economic, and environmental terms. It recognises that Fairtrade's context of mostly agricultural production, sustainable development can be best supported by sustainable agriculture. Hence, by systematically and clearly defining its position and expectations regarding agricultural sustainability and specific risks, Fairtrade:

1. renders more sustainable agriculture practices by informing relevant Fairtrade standards;
2. takes advantage of opportunities by advancing offerings such as carbon removal units;
3. is informed by – and be led by – empirical data;
4. embraces appropriate technological innovations and applications;
5. improves Fairtrade's business development work and relations with economic actors;
6. promotes transparency, openness, and cooperation between stakeholders;

7. guides decision-making with respect to international policies, corporate sustainability schemes and other corporate responsibility projects, coalitions, and external positions;
8. aligns with existing and future legislation and partner policies, norms, and expectations;
9. remains competitive in the Voluntary Sustainability Standards (VSS) domain;
10. guides programmatic and advocacy operations in fields such as producer support, partnership building, strategic alliances for policy influencing and monitoring, evaluation, and learning;
11. prevents and mitigates harm to producers and farmworkers;
12. bridges the gap between social justice and the global climate crisis.

### **Theoretical fundamentals**

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, the cultural dimension is integrated within the other pillars.

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 (Committee On Sustainability Assessment) framework of sustainability, the FAO’s SAFA (Sustainable Assessment and Food and Agriculture systems) framework and “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 25 categories identified as key sustainability challenges in Fairtrade-certified agriculture. This policy paper presents each of the 25 categories with a specific policy position listed in order of priority; such prioritization was the result of a materiality assessment, where both Fairtrade experts on one side, and Fairtrade certified producers on the other, ranked their perceptions on each of the risk categories.

In parallel, Fairtrade have studied 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. The 14 approaches are:

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)<sup>2</sup>
10. High nature value farming
11. Low external input agriculture
12. Circular agriculture
13. Ecological intensification
14. Sustainable intensification

Each of these agricultural approaches could serve the purposes of sustainability according to the context and the characteristics of the area of intervention, and the structural particularities at product level. Despite that, Fairtrade considers that a policy on sustainable agriculture should be built under a unify framework that can embrace fundamental pillars and principles. That is why through this policy, Fairtrade welcomes to adoption of agroecology as this unifying framework.

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 the same time. 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.

FAO (2018) defines agroecology as ***“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,***

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<sup>2</sup> One caveat needs to be considered with regard the Climate-Smart Agriculture approach, as since 2015, Fairtrade took an internal position, 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 CSA does not align with Fairtrade Climate Change programme, strategy, and standards.



***humans, and the environment while taking into consideration the social aspects that need to be addressed for a sustainable and fair food system."***

Hence, 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.

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.



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.

#### **Reasons to choose agroecology as Fairtrade's path to sustainability:**

- 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.
- 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). There is sufficient evidence collected to adequate agroecological practices to the context and scale of each fairtrade certified farm unit, even in Hired Labour

Organizational contexts. Therefore, SPOs and HLOs 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.

- 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.
- 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.
- 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.

## 2. Policy Implications for the Fairtrade System

As a leading VSS, Fairtrade needs to have a clear policy and approach as regards sustainability of agricultural production under Fairtrade terms. Currently, this is not the case and the underlying reason for so many internal debates that focus on singular issues but lack a common direction, which contributes to the perception by businesses that Fairtrade appears to be overcomplicated and non-transparent. This may also be one underlying reason why other VSS currently seem to grow stronger than Fairtrade.

This policy has 25 asks based on identified sustainability risks from the three dimensions of sustainability. In an exemplary way, the three highest prioritized risks highlight this:

- **Ecological dimension: # 1, Climate Resilience (risk: climate change):** Fairtrade joins efforts – and mobilizes resources – to help POs adapt to and mitigate climate change, increase, and enhance resilience, and reduce their contribution to climate change. Fairtrade also promotes the implementation of agroecological practices that takes



advantage of novel revenue streams such as the ones associated with carbon removal units.

- **Social dimension: # 2, Youth employment and decent livelihood opportunities (risk: youth unemployment, poverty, and lack of decent livelihood opportunities):** 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 youth.
- **Economic dimension: # 3, Fair markets and trade (risk: market barriers and anti-competitive behaviours):** 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.

This does not mean that everything must change at once and everywhere, instead it will require a gradual, stepwise process over time. Nevertheless, it is not an easy task to respond to these and the other prioritized risk areas, Fairtrade needs to engage at multiple levels, i.e., POs, PNs, NFOs, FLOCERT, FI and stakeholders – and this applies to all risks.

However, if Fairtrade wishes to be a leading Voluntary Sustainability Scheme and be acknowledged as such by commercial partners, producers, workers, and the general public, it must make conscious decision to become more sustainable by adapting its strategies, market development strategy, standard systems, partnership strategy, structures, processes, staff capacity, and communications towards the adoption of agroecology transition and its overarching principles.

This could mean, inter alia:

- Adapt budgets to respond to immediate, mid-and long-term sustainability needs, as regards being more responsive to climate change adaptation needs.
- Gradually review & mainstream its products' policies/strategies as well as thematic strategies (Climate and Environment, Living Wages, Living Income, e.g.) adapting them to promote agroecological approaches as a means of profitable diversification (whenever possible and in respect of cultures and local conditions).
- Focus its advocacy work, e.g., to influence market-oriented legislation towards mandatory compliance cost-sharing for implementation of stricter sustainability criteria or mobilize resources for agroecology programs.
- Incorporate and amend sustainability elements in standards and supplementary documents, while considering the "compliance costs"- implications.
- Built staff capacities and hire more experts on sustainable agricultural production.

- Build/strengthen the capacities to better address the environmental dimension, as regards addressing the focusing on agroecological approaches and climate change adaptation and mitigation, including the Fairtrade Climate Standard.
- Review, digitalize and streamline its processes and data storage systems.
- Stronger reflect sustainability aspects in compliance criteria, KPIs, and all other MEL/GI data collection, in particular environmental aspects.
- Build/strengthen partnerships with specialized NGOs and agencies, e.g., CGIAR Centres, IUCN, UN-Bodies, and others.
- Incorporate more sustainability aspects in O2B, e.g., develop a systemwide aligned climate change O2B.
- Participate in multi stakeholder initiatives and sector dialogues and voice Fairtrade's perspective, e.g., on living wages & income or cost-sharing of compliance costs.
- Communicate in a more comprehensive way about all three dimensions of sustainability, as regards climate & environment.
- Acknowledge the vulnerability of women and youths as regards sustainability risks and reflect in its activities.

In many areas, Fairtrade would not have to reinvent the wheels, but should rather scale up its key partnerships with climate change, agricultural and environmental experts/organisations. Furthermore, adopting this policy does not mean to abandon Fairtrade's exemplary work on the social & economic dimension of sustainability, nor does it mean to shift its social focus – but it needs to be complemented with as stronger climate & environmental part than in the past. In other words, invites Fairtrade to think that trade, as an economic activity occurs because of the existence of a healthy environment.

To embed this policy positions, efforts have to be undertaken at all relevant operational levels of the Fairtrade system, including that each unit within Fairtrade International needs to evaluate the adoption of recommendations made in the baseline report, and suggest actions for its implementation. Many of these efforts are actually already under way or build on/link up to ongoing activities, e.g.:

- at the planning level (Fairtrade Strategy 2021-25; comprehensive inputs from C&E working group in 2020/21, Global Climate & Environmental Strategy 2022-25),
- structural level (e.g., CoE Climate & Environment),
- standard setting level (essentially all ongoing and planned standard reviews receive consolidated input from CoE C&E, review of the Fairtrade Climate Standard)
- MEL & Global impact (consolidated input from CoE C&E into new TOC and KPI development, research task force etc.)
- PN level (training curricula & capacity building)
- Programmes and project level (ongoing development of O2B Climate & Environment framework that will be to be aligned with the Growth Task Force)

As the climate/environmental/biodiversity crisis is only going to accelerate in the next decades, Fairtrade cannot afford to ignore this inevitable development if it wants to remain a leading VSS. The adoption of guiding principles of agroecology, offers a solution to reposition Fairtrade accordingly and enable it to over time better adapt and respond to this challenge.

### **3. Policy Positions and necessary targeted efforts for implementation and follow-up**

The following policy positions have been developed and prioritized based on feedback from many entities, units, and staff members from the Fairtrade System - namely 230 producer organisations - as well as on feedback from external experts (peer review) on smallholder agriculture and other scientific input. Addressing "Climate resilience" (ecological dimension) has clearly the highest priority, followed by "Youth employment and decent livelihood opportunities" (social dimension) and "Fair markets and trade" (economic dimension); this is exemplary and illustrates that the risks/policy positions are evenly spread over all sustainability dimensions. Furthermore, many of the identified risk are interlinked, e.g., "climate resilience"/" land restoration"/" Water use"/" soil organic carbon"/" Food security & nutrition" or "Fair markets & trade"/" Living income & wages"/" traceable supply chains". So, while it is desirable to address the risks according to priority so as to efficiently allocate resources, this might at the same not always be possible, nor always necessary, as e.g., addressing deforestation risks under "climate resilience" contributes at the same time to addressing "biodiversity loss". It should also be mentioned that in particular the ecologic dimension risks are so urgent that a strict approach linked to priority only may come too late to still be meaningful.

The interlinkages between the policy positions and many other aspects are explained in detail in the "Baseline Report Sustainable Agriculture under Fairtrade Terms", e.g. indicating per risk/position which others direct linkages with other sustainability challenges exist, the relevance for Fairtrade, the link to the Fairtrade strategy, appropriate agroecological principles, overarching and specific policy positions per risk as well as definitions and indicators referring to the respective policy position.

#### **Policy Positions in line of order of priority**

##### **Climate resilience (risk: climate change)**

*Fairtrade joins efforts – and mobilises resources – to help producers adapt and mitigate climate change, increase, and enhance resilience, and reduce their contribution to climate change. Fairtrade also promotes the implementation of agroecological practices that takes advantage of novel revenue streams such as the ones associated with carbon removal units.*

**Youth employment and decent livelihood opportunities (risk: youth unemployment, poverty, and lack of decent livelihood opportunities)**

*To raise a new generation of farmers, Fairtrade champions inclusion and decent employment opportunities for young people; the provision of resources, technologies, information, and knowledge; youth participation in decision-making and distribution of Fairtrade benefits; and the creation of safe and respectful workplaces. Simultaneously, Fairtrade works against discrimination, abusive and exploitative conduct towards young people.*

**Fair markets and trade (risk: market barriers and anti-competitive behaviour).**

*Fairtrade works with farmers and workers to balance power relations in favour of fairer 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 producers' market access and reduces power imbalances.*

**Living income and wages (risk: Low income and wages)**

*Fairtrade take 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 living income reference prices; improving productivity through higher yields, cost efficiency, efficient use of inputs, input reduction, and introduction of sustainable technology; and diversification of income sources.*

**Land restoration (risk: land degradation)**

*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.*

**Primary & secondary education (risk: lack of primary & secondary education)**

*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)**

*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)**

*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.*

### **Soil organic carbon (risk: soil organic carbon depletion)**

*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 organicism), increases water retention, reduces soil erosion, and that are functional to the farmers.*

### **Water and sanitation (risk: lack of drinking water & for sanitation)**

*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 sanitation facilities, for all workers to manage their hygiene, health, and dignity.*

### **Gender equality (risk: gender inequality and inequity)**

*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.*

### **Access to energy (risk: lack of access to energy)**

*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).*

### **Food security and nutrition (risk: food insecurity)**

*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.*

### **Efficient use of pesticides and agroecological alternatives (risk: pesticide pollution)**

*Fairtrade pursues the reduction and elimination of chemical pesticides inputs, supports, and promotes the efficient and appropriate use of agroecological practices to manage pests, and seeks the increase of self-sufficiency generated by the feedback loop between reduced use of pesticides and healthy agro-ecosystem.*

### **Agroecological practices (APs) (risk: lack of APs application)**

*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).*

### **Social equity and equality (risk: social inequity)**

*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.*

### **Efficient use of fertilisers and agroecological alternatives (risk: nutrient pollution)**

*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.*

### **Traceable supply chain (risk: inability to trace supply chain)**

*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.*

### **Reducing, recycling, reusing, and sharing (risk: waste and food loss)**

*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)**

*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.*



### **Agency (risk: lack of political voice)**

*Fairtrade supports participatory approaches that involve farmers in decision-making and works to also provide 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.*

### **Child rights (risk: child labour)**

*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.*

### **Labour rights (risk: labour rights violations)**

*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.*

### **Land rights (risk: land rights violations)**

*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)**

*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.*