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Introduction to the topic

Fair trade is sustainable trade for sustainable development in different communities by pursuing the development of people and in the fight in ending the poverty. Fair trade is the collaboration between non-profit importers, small producers from developing countries and merchant sin Northern countries. Fair trade promotes justice, equity and sustainable development and position them as the core practices of the structure and commercial activities. Fair tare is based on transparency, respect and cooperation with the aim to promote equity in international trade. In addition, Fair trade has direct and indirect effect on the achievement of the SDGs 2030, contributing for the achievement of those goals. Fairtrade has a particular role with trade in export supply chains and Fairtrade contributes to the achievement of key SDG goal areas, including Goals 2, 5, 8, 12, 13, 16 and 17.

The expansion of international trade and effects of globalization contributed for commercial practices and economic growth of many countries. Nevertheless, the positive effects and benefits have not been shared equally, poverty has not been reduced and many regions and population are living in critic situation of extreme poverty. Inequality has grown, according the Global Wealth Report (Credit Suisse, 2019), nearly 1% of adults are millionaires who collectively own 44% of global wealth in 2019, and even high percentage of population has barely escaped from poverty, with half of the population subsisting on less than $5.50 a day and extreme poverty is increasing in Sub-Saharan Africa (OXFAM, 2019).

In order to reduce poverty and inequality, fair trade is the mechanism through which disadvantaged workers and farmers connect with consumers and fair trade is promoted, which contributes in the combating of poverty. Social, economic and environmental standards for companies, farmers and workers are set through the protection of their rights and the environment, and payment of a minimum price. For achieving the objectives and promote fair trade, the 10 Principles of Fair Trade have been established. Commitment to Non-Discrimination, Gender Equity and Freedom of Association, and Ensuring no Child Labor and Forced Labor, are two of the principles.

Furthermore, in order to assure the economic trade with ethical standpoint, a Fairtrade certification initiative is internationally recognized code for sustainability standards for those products which encompass the requirement for sustainable and fair trade product (FairTrade Ibérica, 2020).

At European Union level, the World Fair Trade Organization Europe (WFRO-Europe, 2020) is part of the WFTO, which’s goal is to allow and enable producers to improve their communities and livelihoods through fair trade. The WFTO-Europe is driven by the following strategic objectives:

- Support the growth and strengthen the WFTO Global.
- Support and protect the values of Fair Trade and the commitment to it.
- Representative for Fair Trade in Europe.
- Support Fair Trade policies. Support the legality of the office.

Introduction to the topic

The EU Trade Policy aims in increasing sustainable growth and creating jobs. The EU perform trade relation and operations through trade agreements and aims to make sure that traded products are sold at fair and equitable prices. The main purpose is the protection of EU producers from harm ad tackle unfair competition by companies such as dumping and subsidization.

The European Commission and European Parliament address the development of practices and policies for different areas and sectors. Regarding fair trade practices, the EU Cities for Fair and Ethical Trade Award, initiative of the European Commission's Directorate-General for Trade. The initiative awards those cities, which promote sustainable trade, consumption and production, and create opportunities for producers (EU, 2020).

Chapter 1
Social and Economic Impact

1.1 Fair Trade

'FAIRTRADE is the Fairtrade Label for the Sustainability of People and Planet'

Fair Trade is the sustainable and fair trade with its characteristics of fair prices, decent working conditions, fair terms of trade and sustainable practices and products. Fair trade addresses and removes the injustices and discriminations of conventional trade.

Fair Trade International is an international non-profit organization with the main objective of empowering and enhancing workers and producers in developing countries through trade, in a sustainable and responsible manner. Fair Trade allows and promotes through tools and services, to connect producers and consumers.

Source: Fairtrade (Fair Trade International, 2019)

1.2 The 10 Principles of Fair Trade

The World Fair Trade Organization (WFTO) prescribes 10 Principles of Fair Trade that organizations committed to fair trade must follow. The 10 Principles of Fair Trade are the following:

Principle One: Creating Opportunities for Economically Disadvantaged Producers

Poverty reduction is a key objective of the organization. The organizations enable marginalized small producers, family businesses, associations and co-operatives, to move become self-sufficient economically and have ownership. Fair Trade is a strategical approach created with the aim to alleviate poverty and enable sustainable development. Social and economic opportunities are created though the cooperation and trading with marginalized producers.

Source: 10 Principles of Fair Trade (WFTO Europe, 2016)

Principle Two: Transparency and Accountability

The organization is accountable to the stakeholders as well as respects confidentiality and commercial information. The organization is transparent regarding the developed activities and commercial relations, the management, in general, by establishing efficient and open communication channels at all levels of the supply channel. In addition, the organization's management allows the participation of members involved in its activities in the decision-making processes.

Principle Three: Fair Trading Practices

The organization should maintain long term relationships with its stakeholders based on solidarity and mutual respect and trust maintaining effective communication with partners. Furthermore, the organization trades considering and acting in concern to social, economic and environmental issues. Therefore, Fair Trade safeguards, recognizes and promotes small producers' traditional skills and cultural identity mirrored in the products or services created such as the craft design and food products.

Regarding the payments and products, on the one hand, suppliers respect contracts and delivery products on time and on the other hand, buyers acknowledging the disadvantaged situations suppliers and producers might face, ensure orders are paid following the guidelines and on receipt of documents. Regarding the payed interest rates by the supplier, must not be higher than the buyers' cost of borrowing from third parties.

For Handicraft FT products, an interest free pre-payment of at least 50 % is made on request. For Food FT products, pre-payment of at least 50% at a reasonable interest is made if requested.

When suppliers receive the payments, the supplier ensure the pass of the payment to the producers or farmers of Fair Trade products. Furthermore, when a cancellation is made by supplier or buyer, in both cases it is required to be consulted with the other party and a suitable compensation is ensured.

Principle Four: Payment of a Fair Price

The fair price is a result of mutual dialogue and participation and mirrors the fair payment to producers but also sustained by the market. The fair payment is considered by the producers and takes into consideration the principle of equal payment by women and men, it is the socially acceptable remuneration.

Principle Five: Ensuring no Child Labour and Forced Labour

It is ensured that there is no forced labour and the organization adheres to the UN Convention on the Rights of the Child, and national / local law on the employment of children.

Principle Six: Commitment to Non-Discrimination, Gender Equity and Women's Economic Empowerment and Freedom of Association

The organization respects human rights and equality by not discrimination in religion, national origin, sexual orientation, hiring, remuneration, race, political affiliation, HIV/Aids status, age, gender or disability. There is clear policy to promote gender equality that assure non gender discrimination to access the resources and training.

Principle Seven: Ensuring Good Working Conditions
The organization complies with local, national laws and ILO conventions regarding safety and health. A professional and healthy working space and environment is established and provided.

Principle Eight: Providing Capacity Building
The organization aims to increase the positive development of small and marginalized organizations or producers through Fair Trade. The organization works and collaborates directly with small producers to develop specific activities in order to help them to improve management, production processes and capabilities and access to markets.

Principle Nine: Promoting Fair Trade

The organizations raise awareness of the objectives and purpose of Fair Trade and its contribution to trade. Therefore, the customer is provided with information about the organizations itself, the marketed products, information about the producers and reached through honest and open marketing and advertising techniques.

Principle Ten: Respect for the Environment

The Fair Trade product and services producers and organizations maximize the usage of sustainable materials and local (when it is possible). For more efficiency and delivery of sustainability within each product and service, production technologies that reduce energy consumption and renewable energy technologies are used in order to minimize the environmental footprint.

In agriculture are used organic or low pesticide use production and organizations use easily biodegradable or recycled materials for packaging and the products' transport is by sea, when possible.

1.3 Social and Economic Impacts

The Fair Trade system and structure provides direct and indirect support to communities and its producers, workers and organizations to be less vulnerable to international trade and implement social and environmental sustainable practices. The Fairtrade standards not only ensure certification but also brings ethical, social and economic impact which is achieved by human impact.

Fairtrade's program for internal learning, improvement and supports is the Monitoring, Evaluation and Learning (MEL), a program for assessing the achieved difference by ensuring the gathering of data and information. The impact assessment shows the relevant differences that fair trade brings to workers and farmers.

Source: Aims of the Fairtrade Standards (Fair Trade International, 2019)

<u>Social benefits</u>

- Fair trade brings to producers and workers a feeling of control over their decisions and actions.

- Fair trade helps involved partiers to be aware of their own rights and be able to negotiate terms and conditions of work and contracts in a fair and honest manner.

- Fair trade helps involved partiers to be aware of their own rights and be able to negotiate terms and conditions of work and contracts in a fair and honest manner.

- Brings support and education for enhancing and promoting gender equality.

- Fairtrade Premium's investment by co-operatives in community development projects and investment into education, improvement of schools and housing, and medical facilities is improving the quality of life of rural communities and empower them.

Economic benefits

- The Fairtrade Minimum Price is supporting the producers in order to bring them income-security and reduce or eliminate vulnerability to poverty.

- Fairtrade enables communities to organize into cooperatives and have a better negotiating position withing the supply chain, have a position to negotiate higher prices.

- It allows the access to agricultural services such as premium markets.

- The Fairtrade program supports farming, cooperatives an investment in collective assets though an additional income.

Environmental benefits

- The Fairtrade Standards encompass relevant areas for environmental protection that include energy and greenhouse gas emission reduction, pest management, waste management and biodiversity protection, among others.

- It also includes and promote training for farmers, with the possibility of including advices about environmentally friendly practices like the importance of developing nutrient-rich soils.

- The Fairtrade Standards include usage of less toxic pesticides that have positive impact on producers and workers health and less negative effects on the environment.

- Fairtrade organization has the ability to provide access to financial support and expertise for climate issues and in that way support environmental sustainability.

1.4 Fair Trade best practices and cases

Case 1: Stick with Foncho to make Bananas Fair

The cooperative names Coobafrio in Colombia has been certified as a Fairtrade product since 2011, where two-thirds are sold as Fairtrade. The certificate resulted in a strong long-term business agreement with Uniban, the main trading partner. The 100% of members reported that their quality of life and economic situation experienced an improvement thanks to Fair Trade. Fair Trade increase farmers income, social projects are funded and generates employment from locals and improves their quality of life in a stable manner. Through Fair Trade farmers, producers and workers achieved control over their life and brough opportunities to their families (Fair Trade Foundation, 2019). Source: Foncho Cantillo - Coobafrio Co-operative, Colombia (Fair Trade Foundation, 2019).

Case 2: A Fair Story

A **Fair Story i**s a short film that shows the way Fair Trade International empower and enhance producers and workers to rise their voice, produce their products and defend their rights.

Source: Fairtrade (Ethicalsuperstore, 2016)

Chapter 2 UN Goals and Business

2.1 Fair Trade and SDGs

The Sustainable Development Goals (SDGs) adopted by United Nations members States in 2015 for taking action to protect the planet, end poverty and assure peace and prosperity. The 17 SDGs are integrated, the action or impact on one, will have repercussions on another one. Being economic, social and environmental the pillars of Fair Trade is able to contribute for broader impact though its actions. Fair trade has a direct or indirect impact in all the United Nations SDGs, but the impact on some are more relevant.

Fair Trade ensures and seeks for economic development through trading partnerships and ensuring the quality and sustainable production of products to the customer. Fair Trade assures that the productions and trade improve lives, benefit communities and protect the environment.

Source: Fair Trade and SDGs (Fairtrade Canada, 2019)

2.2 Fair Trade's impact on SDGs

Fair Trade's contribution on the following goals of the Sustainable Development Goals (SDGs) is the following (FairTrade, 2019):

Source: 10 ways Fairtrade helps advance the UN Sustainable Development Goals (Fair Trade International , 2019)

The Fair Trade Minimum Price is a security factor for 1.6 million farmers and workers in more than 75 countries. Through it, the organization is enhancing and contributing to *Goal 1: end poverty in all its forms everywhere* because it is a kind of protection from volatile markets and ensure the coverage of the costs for sustainable products.

The Fair Trade contributes to *Goal 2: end hunger, achieve food security and improved nutrition and promote sustainable agriculture* through the Fairtrade Access Fund that distributed until date more than US$128 million, which benefited 252,000 smallholder farmers in 18 countries and provided technical support for smallholders.

The established standards and values of Fair Trade like the prohibition to gender discrimination, gender based violence and sexual harassment added to action of promoting rights for parental leave, pregnant and breastfeeding women; and the gender leadership schools and funding through the Fairtrade Premium for women, promote the *Goal 5: gender equality and the empowerment of women and girls.*

The Fair Trade Hired Labour Standard contributes for achieving the *Goal 8: decent work for all,* by ensuring more than 200,000 workers to enjoy better and suitable working conditions such as better terms of employment, contracts, working hours and collective bargaining and freedom of association.

The Fair Trade Standards promote equality, prohibit discrimination, and contribute to achieve the *Goal 10: reduce inequalities.* Migrant workers, youth and women can take part of in decision making and have opportunities in making their cooperatives and plantations. The Standards assure the protection of any kind of discrimination related to gender, discrimination, training and promotion. Therefore, it if provided support and upskilling to make sure the access to decent income and rights.

Fair Trade contributes totally through both ends of its supply chain to achieve the *Goal 12: sustainable consumption and production patterns.* On the one hand, producer organizations get support to comply with Fairtrade social and environmental standards. On the other hand, Fairtrade Trade Standards keep accountable traders and buyers for issues such as fair prices, transparent contracts or compliance with environmental and labour law.

Fairtrade aims to tackle climate change issues and protect the environment and biodiversity, promotes climate resilient agriculture though its standards programs. Agricultures invest in biogas or renewable energies, harvest rainwater and integrate organic fertilizers, pest management and dynamic agroforestry. Furthermore, Fair Trade assure fair financial returns to producers. The actions and programs promote to tackle and achieve *Goal 13: combat climate change and its impacts.*

Fairtrade label is the only one global ethical label from which the 50% is owned and run by farmers and workers. Even if cooperatives must abide the Fair Trade Standards, requirements such as transparency and democracy, they decide how to spend the Fairtrade Premium for production improvements or community's sustainable development. By this way, through the accountability and internal governance, Fairtrade helps for the achievement of *Goal 16: building effective, accountable and inclusive institutions.*

The *Goal 17: global partnerships for sustainable development* is tackled thanks to the promotion of Fair Trade principles through more than 100 towns, cities, schools, universities and faith based organizations; the cooperation and link among more than 1.7 million farmers and workers, 1600 producer organizations, consumers and trade unions. Fair Trade works with governments and partners with more than 4,000 businesses.

Through the Fairtrade Premium program, rural communities can invest and help for the achievement of other SDGs. From 2015, the program has defunded more schools, clean drinking water and healthcare with more than €500 million. Therefore, these actions impacted goals like *Goal 3: good Health and Well Being, Goal 4: quality education and Goal 6: clean water and sanitation.*

2.3 Sustainable Trade for Sustainable Development

The Fair Trade organizing principles that link the actions to the contribution in the achievement of the SDGs are the following (Fairtrade International, 2019):

Source: (Fairtrade International, 2019)

- Multistakeholder perspective.
- Rights-based approach.
- Capacity building and organizational development.
- Inclusive bottom-up ownership.
- Equitable participation.
- Global presence in more than 100 countries.

The followed model of fair trade allows producers to build strong and democratic organizations, productive businesses and fair workplaces. It has been achieved due to the support to access the markets, standards for minimum prices and equitable trading relationships. The strong standards related to production and trade are essential for achieving accountability and the objectives of Fair Trade. Furthermore, even if the Fair Trade has a direct or indirect impact in all SDGs, is more closely related and impact those related or connected to trade.

2.4 Fair Trade in achieving SDGs examples and cases

Case 1: Sandra Joseph - WINFA, St Lucia

Sandra Joseph is a banana farmer from the island of St Lucia in the Eastern Caribbean, she is a member of the local Windward Islands Farmers Association (WINFA), the association was Fairtrade certified in 2000 and has a membership of around 3,500 banana farmers.

Fairtrade Standards ensure farmers receive a price per box of bananas that covers their costs of production. In addition, throughout the Fairtrade Premium ensures that WINFA receives the of $1.00 per box to be able to fund community's improvements, invest in business development, generates income, and helps for diversification into other practices and businesses.

'Without the intervention of Fairtrade we would be fighting a losing battle. Fairtrade is our last best chance, our choice, our future. Fig Fini San Fairtrade – bananas are finished without Fairtrade.' – Sandra Joseph.

The clear example of a community that grows thanks to the support of Fair Trade International practices, certificates and support, providing decent life conditions and inclusion of people and to the global supply chain (Fair Trade International, 2019).

Source: Sandra Joseph (Fair Trade International, 2019)

Case 2: Master Wajid – Tailor at Eternal Creation, Dharamshala, HP

Master Wajid is coming from a large and poor family from Uttar Pradesh. He has been working for Eternal Creation since 2006, the Winners of the 2013 Source Award for Sustainable Children's-wear. The organization is working with Tibetan refugees & local Indians to produce fresh & vibrant Fair Trade fashion. It is a registered member of the Fair Trade Association of Australia and New Zealand, while the Himalaya Tailoring Centre is a certified member of the Fair Trade Forum India (affiliated with the World Fair Trade Organization), a high-quality products producer, that provide a pleasant working environment and fair payments. Being part of the organization, helped Wajid to become have a profession of a tailor, improve his quality of life and of his family (Fair Trade Forum India, 2019).

Source: Master Wajid (Fair Trade Forum India, 2019)

Chapter 3 Fair Trade and Climate Change

3.1 Fair Trade and Climate Change

Farmers and rural communities are often the most affected of climate change's effects and consequences. Therefore, climate change is considered as a threat for Fair Trade producers' organizations and the local environment. The effects of climate change create insecurity and income losses due to factors with severe consequences like changing weather patterns, diseases, soil erosion and pests.

Source: Fairtrade and Climate Change (Fairtrade International, 2019)

Fair Trade is a strategy with the aim to reduce poverty and promote sustainable development through fair trade. However, the effects of climate change are not only related to the environment but also economic, social, and cultural dimensions.

Therefore, the aim of the strategy is to support producers to adapt to climate change by establishing changes for adaptation and reducing the carbon emissions. In order to achieve it, is starting from the recognitions of the existence of a severe problem with effects on humans' activity and its devastating effects on biodiversity. It is important to recognize and analyze them and on the other hand, accept and promote the necessity to develop sustainable ways of production. Through its strategy sustainable livelihoods od disadvantaged producers aim to be secured by the development of projects that enhance the resilience to climate change and develop more sustainable production activities.

In order to offer the support to producers for the adaptation to climate change and reduce the carbon footprint has created the climate change strategy and Fair Trade International developed the Fairtrade Climate Standard (Fairtrade International, 2019).

3.2 Fairtrade Climate Standard

The Fairtrade Climate Standard's objective is to generate climate finance opportunities, provide information, enable the access to carbon market by producing Fairtrade Carbon Credits (FCCs) and facilitate training to receive technical support. The Fairtrade Climate Standards are opportunities for small-scale producers and rural communities.

The Fairtrade Climate Standard has been developed and is planned to be implemented together with the Gold Standard. The Fairtrade Climate Standard is an add-on standard to Gold Standard certification. The certification generates carbon credits created to be sold in the voluntary carbon market for those interested in making a positive impact in climate and development. The collaboration between is to create a carbon that is fair and ensure that Fairtrade producers and rural communities can benefit from the adaptation measures and activities and take advantage of from the climate change mitigation. The projects developed or enabled under the Fairtrade Climate Standards are broad and include renewable energy efficiency projects and reforestation projects for reducing carbon emissions and capture carbon through reforestation. Moreover, the reduction of carbon emissions must be accomplished not only by producers from developing countries but also by the businesses and organizations that buy the Fairtrade Carbon Credits.

Source: Fairtrade Climate Standards (Fairtrade International, 2019)

The standards promote transparency and equitable trade and for it establish requirements for a broad range of stakeholders like producers, traders, project facilitators and buyers (Fairtrade International, 2015).

The Impact:

- Less risk and vulnerability.
- Access to basic services.
- Improve income and contribute for the well-being of producers.
- Reduction of carbon emissions.
- Fair and more sustainable carbon trading systems.
- Environmental sustainability and resilience to climate change.

Contribute to the following outcomes:

- Respectable and honest work in carbon projects.
- Improvement in carbon projects performance.
- Implantation of Fair Trade values in business practices and policy framework.
- Strong and inclusive producer organizations.
- Enhance, influence and benefit communities and producers.
- Organizations that are resilient and viable.

Leads to the contribution of the following outcomes:

- Collaboration and increased networking within Fairtrade.
- Investment in organizations and communities.
- Access to fair trade prices and conditions.
- Awareness and commitment for fair trade practices and organizations.

Contributes to Fair Trade interventions:

- Support to producers, organizations, and projects.
- Networking and alliances development.
- The Fairtrade Climate Standard and certification.

The principles that underline the Fairtrade Climate Standard are (Fairtrade International, 2019):

- Democracy and transparency.
- Fairtrade Minimum Price.
- Opportunities to adapt.
- Capacity building.
- Labour conditions and environment.
- End-buyer emissions reductions.

3.3 Fairtrade Carbon Credits

The Fairtrade Carbon Credits are the carbon credits that represent the tons of carbon dioxide that either have been removed from, or have been prevented from entering, the atmosphere. And companies can purchase those credits to compensate the emissions result of company's activities. These credits bring benefits as the following:

- A minimum price for the generated credits.
- The investment in projects through the Fairtrade Premium program.
- Resilient and strong communities that can manage the implementation of the project and have autonomy in decision-taking.
- The program encourages the participation and increase awareness and knowledge regarding climate change and sustainability issues.

For the obtention of these credits, the organization does not need to be already Fairtrade certified, the Fairtrade Climate Standard is available all type of small-scale organized groups under the Fairtrade's geographic scope (Fairtrade International, 2019).

The credits are organized and grouped in three categories.

- Renewable energy projects.
- Energy efficiency projects.
- Forestry projects.

Source: Fairtrade Carbon Credits (Blogrenanda.com, 2019)

3.4 Best Practices and cases

Case 1: How to get involved

In order to get involved and be able to reduce the carbon print any type of business, retailer, civil society, organization or individual has the chance to acquire Fairtrade carbon credits for a positive impact. The commitment to purchase Fairtrade carbon credits in their corporate communication and focused consumer communication.

Furthermore, an assessment of the carbon footprint is required for the organizations that obtain more than 1,000 carbon credits per year be both through Fairtrade or a combination of certifications. The organizations will need to place a carbon reduction plan and year by year increase the amount of purchased carbon credits.

Source: Carbon Credits (Fairtrade International, 2019)

Case 2: Fairtrade and Climate Justice

Ebrottié Tanoh Florentin, a cocoa farmer in Côte d'Ivoire, is speaking out about the risks faced by cocoa farming communities in West Africa due to the climate breakdown and the effects of climate change on their production.

YouTube Video **'Climate Crisis: Fairtrade Cocoa Farmer Speaks out'**

The Guerrero family, a farmer's family of production of coffee in Peru face the impacts of the climate crisis and explain how the Fairtrade Minimum Price and Premium are enabling them to take action and face the challenges.

YouTube Video **'Peru Coffee Farmers Speak of the Climate Emergency'**

Chapter 4 Gold Standard

4.1 Gold Standard

The Gold Standard was established in 2003 by WWF and other international NGOs with the aim to ensure projects' emissions reduction and long-term sustainable development. It has been created as a bets practice benchmark for energy projects developed under the UN's Clean Development Mechanism (CDM). Supported by more than 80 NGOs, with more than 1,100 projects in 70 countries undergoing certification. Among the main objectives of the Gold Standard, it is relevant to mention the following:

- Improvements in health and livelihood.
- Eradicate deforestation.
- Contribution to food and water security.
- Conservation of natural resources.
- Enhance Sustainable development.

Source: (Gold Standard, 2020)

The Gold Standard 3.0, that integrates Energy, Forests, Land usage, Waste and Water, with a certification process will proceed with the assessment of the impact of project activities toward the post-2015 Sustainable Development Goals. The Gold Standard, the global benchmark for the highest integrity and impact in sustainable and climate related initiatives (UN environment, 2019).

4.2 Environmental markets for sustainable development

The Gold Standard through markets power tries to deliver progress toward the Paris Agreement and the Sustainable Development Goals towards high-impact assets that represent environmental integrity and the contributions to sustainable development (Gold Standard, 2020).

<u>Voluntary + Compliance Carbon Markets</u>
The existence of the urgency of decarbonize the global economy the carbon market has been created that can accelerate the transition to net-zero emissions by enabling businesses and individuals to take accountability for their emissions.

By purchasing Gold Standard carbon credits is a core component of climate action and can help for:

- Deliver on Best Practice Climate Action.
- Recognition by civil society.
- Impact for SDGs.

Renewable Energy Markets

There is a need for establishing the transition to renewable energies being the private sector a key factor for achieving it. The renewable energy markets allow these companies to purchase clean energy and through it is possible to demonstrate commitment. In order to accelerate the clean energy transition organizations, start from reducing the energy consumption and invest in the development of renewable energies strictures. The starting points might begin by inventing in high-quality renewable energy attribute certificates such as the Gold Standard Renewable Energy Labels.

The projects applying the Gold Standard Renewable Energy label must:

- Add new renewable electricity to the grid.
- Contribute to the Sustainable Development Goals (SDGs).
- Establish safeguarding principles.
- Robust Monitoring, Reporting, and Verification (MRV).
- Engage local stakeholders.

Water Benefit Certificates

Water has been proclaimed as the single biggest risk the world is facing. For those organizations willing to commit, it is possible to support water projects by purchasing Water Benefit Certificates (WBCs). The certificate represents the volume of water sustainably supplied, purified or conserved.
There are different projects but each project must have the impact through two additional Sustainable Development Goals and demonstrate the financial need for additional finance from selling WBCs.

Source: Environmental markets for sustainable development (NWC Consulting, 2015)

4.3 Certified SDGs Impact

The Gold Standard for the Global Goals permits the issuance of certified SDG impacts, which enables the monetization of project's impacts and provides assurance for achieved outcomes.

The certified SDG impacts that projects and interventions can use under Gold Standards are the following (Gold Standard, 2019):

Source: (IEC, 2019)

Improved Health Outcomes

It is estimated that in developing countries, the fourth disease risk factor is the smoke from the act of cooking. Moreover, projects for improving cookstove even if reduce air pollution, was difficult to really quantify the impact on health and its consequences.

Therefore, the Averted Disability Adjusted Life Years (ADALYs), a metric that represents the years of health life after a given intervention, has been financed for the following reasons:

- It is possible to make a direct and verified impact on health of the unfavourable and disadvantaged communities.

- A cost-effective impact.

Funding Gold Standard certified ADALYs is possible to use the funding to support organization's commitments to health:

- SDG 3: Ensure healthy lives and promote well-being for all at all ages.

- SDG Target 3.9: Reduction in the number of deaths and illnesses related to factors such as chemicals and air, water, or soil pollution, among others.

Gender Equality Impacts

The Gold Standard for the Global Goals promotes gender equality by making all Gold Standard projects "Gender Sensitive" because though the empowerment of women and girls the gender gap can be closed and an acceleration towards other SDGs can be achieved.

Through the finance of Global Standards certified gender equality brings the following benefits to the financer:

• Demonstration of leadership in the process of facing gender issues and inequalities.
• Creation of incentives and reward to encourage long-term development, gender empowerment for closing the gap.
• Measurable contribution towards SDGs.
• The project certification Gold Standard for the Global Goals the support of a 'Gender Sensitive' project.
• The direct contribution to the SDG 5, including:
    o SDG Target 5.1 – End all forms of discrimination against all women and girls everywhere.
    o SDG Target 5.4 – Value and recognize unpaid care and domestic work.
    o SDG Target 5.5 – Guarantee women's full and effective participation and equal opportunities.

Water Benefit Certificates

The Water Benefit Certificates is the certification for representing the volume of water that has been sustainably supplied, purified, or conserved. The volumes are different for the different types of projects, depending on size and impact.

The reasons for purchasing Water Benefit Certificates permits organizations to justify and show their commitment to water stewardship:

• Contribution to the SDGs.
• Support to high-impact projects that supply, purify and conserve water.

Participating and committed organizations can claim the contribution to SDG 6.

Renewable Energy Certificate Label

The Gold Standard Renewable Energy Label represents one megawatt-hour (MWh) of electricity that has been generated through renewable energies and delivered to the electricity grid. The Gold Standard Renewable Energy Labels are issued on top of I-RECs from the International REC Standard.
In order to slowdown climate change, at least the 42% of electricity need to be from renewable sources by 2030. The investment in the Gold Standard Renewable Energy Label, a high-quality renewable energy certificates, allows the organization to:

• Support for increasing the renewable energies, a progress for SDG7 and achievement of the Paris Climate Agreement.
• The organization could claim its contribution to SDGs and Reduction in Scope 2 footprint, eligible under RE100 and the GHG Protocol.

Emission Reduction (Carbon Credits)

The carbon credits are used for carbon offsetting and the Gold Standard carbon credits include:
• Verified Emission Reductions (VERs) for voluntary climate action.
• Labels for Certified Emission Reductions (CERs) for meeting compliance targets.

The financing and purchasing of carbon credits are relevant for organizations and individuals for taking responsibility for their emissions. The action of financing is profitable for business because of the following reasons:
• Deliver on best practice corporate climate action.
• Contribution to Paris Climate Agreement and SDGs.
• Civil recognition from society organizations and climate-conscious customers.

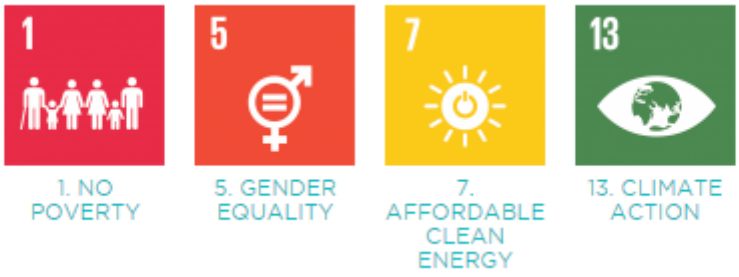
Black Carbon Reductions

Black carbon and other short-lived climate pollutants (SLCPs), products of burning coal, diesel, crop residue and firewood. The Gold Standard has developed the first-ever methodology to measure SLCP reduction.

• Through the finance of reducing the black carbon the organizations can:
• Support projects that provide an immediate and measurable impact.
• Support the implementation.

4.4 Cases and Best Practices

Case 1: Darfur Low-Smoke Stoves Project



Source: Darfur Low-Smoke Stoves Project (Gold Standard, 2019)

"Cooking with wood meant that the whole house was full of smoke. It's a house made of hay and inside it is completely black. I have serious eye problems as a result of the smoke – I was going blind because of the smoke. I think the LPG stove has saved my sight." – RANDA FAUDUL ALI, project beneficiary living in the village of Kafute.

The project brings the opportunity to families from North Darfur to replace the traditional charcoal fires with energy efficient and clean-burning liquefied petroleum gas (LPG) cook stoves.

The World Health Organization claims that the indoor smoke from burning exposes to levels of pollution that are 100 times higher than the acceptable levels. The project reduces the exposure and impacts and benefits the following areas/ points (among others) (Gold Standard, 2019):

- 11,700 stoves distributed.
- Reduction in greenhouse gas (GHG) emissions.
- 83% of households have cleaner kitchens.
- In 2017, it has been saved around 24,000 tons of wood.
- Reduction in the rate of deforestation.

Case 2: TerraClear - Clean water access for families in Laos

Source: (Gold Standard, 2019)

TerraClear is a project that brings clean water for rural communities. In Laos more than the 80% of households need to boil the water to make it safe to drink but it is still the reason of the death of children under five. But the filter allows the families to have safe drinkable water and it brings consequent effects such as the slowdown of deforestation (woods needed for boiling) and reduction in usage of fossil fuels. TerraClear provides access to safe and drinkable water through more than 33,000 ceramic filters reaching an estimated 180,000 people in over 500 villages in Laos (Gold Standard, 2019). Project impacts and benefits:

- 15,000 tons of CO2e saved annually.
- 20-30 liters of clean water.
- 32,000 households benefiting from filter use.

Source: (Gold Standard, 2019)

Chapter 5
Organizations promoters of Fair Trade

5.1 Oxfam International

Oxfam is a major non-profit organization and a confederation of 19 independent charitable organizations with the objective to alleviate global poverty.

Source: (Oxfam International, 2020)

Oxfam International was created by independent non-governmental institutions in 1995 that joined to have a greater impact and achieve the objectives of reducing global poverty and injustice. The origins of Oxfam International are in the Oxford Committee for Famine Relief, founded in Britain in 1942 when a group campaigned for food supplies to be sent to starving women and children in enemy-occupied Greece during the Second World War. Moreover, after the war the activity of Oxfam continued by sending food and financial help to the poorest around Europe, and when the situation improves, the activity of the organization expanded to bring help to the needed in developing countries. The organization supports fair trade through its retailers where fair trade products are at disposal of the customer.

Oxfam International is focused and working on fair and justice trade, health, education, gender equality, conflict, democracy, human rights and climate change, among others. In order to achieve the main objectives, the organizations is performing its activity in more than 90 countries and is conformed by 19 member organizations of the Oxfam International confederation (Australia, Belgium, Brazil, Canada, Denmark, France, Germany, Great Britain, Hong Kong, Ireland, India, Italy, Mexico, The Netherlands, New Zealand, Quebec, South Africa, Spain and the United States) and 2 public engagement offices (South Africa and Sweden) (Oxfam International, 2020).

5.2 Ending Poverty

Oxfam International is working together with partners to end the injustice of poverty and to achieve it, development programs, campaigns, humanitarian assistance, public education, and advocacy are delivering. The organization is working mainly in the following grouped areas (Oxfam International, 2020):

Extreme inequality and essential services

Extreme inequality, in a world in which since 2015 the richest that represent 1% has owned more wealth than the rest of the world, having more than the twice as much wealth as 6.9 billion people. Many communities and people suffer from poverty, are denied of the basic rights, and do not have access to the basic needs, and it represents half of the world's population (living with less than $5.50 a day). Another problem is that this gap is growing even more and exacerbates the already existing inequalities as well as creating more. Oxfam International describes our economy as broken, considering that a large part of the problem are the personal income and corporate taxes. For instance, many governments are giving special treatment to organizations and are under-taxing them and wealthy individuals, which have effects on the society and its members (Oxfam International, 2019).

Oxfam International is working to reduce the inequalities making sure the most needed get share of power and resources in order to reduce poverty and inequalities. The organization is working on budget, tax and social accountability that advance people's rights. The inequality in a society is the result of political and economic decisions and choices.

- The organization follows a key approach to reduce the inequalities:
- Support of civil societies and hold governments accountable.
- Investment in tax justice and advocation of fairer pro-poor taxation policies.
- Support of health and education campaigns.

Food, climate, and natural resources

The climate crisis, unfair access to resources, the injustice in food production and access, and the increase of corporate power in food production increased the inequality and injustice, having a conscience on the increase of poverty. The issue is not related to scarcity of recourses, it is related to inequal distribution of resources and wealth.

Oxfam International is aiming a fairer and sustainable global food chain and system, being the right of people living in poverty as a main core. The objective of the organization is to enable women and communities to respond against hunger causes by climate conditions in be more resilient and productive, and to secure access to lands (Oxfam International, 2019).

- Support small-scale farmers and workers.
- Build resilience to and campaign to fight the climate crisis.
- Protect land rights and natural resources.

Gender justice and women's rights

Women are a vulnerable part of the society because a woman face discrimination and inequality every day and everywhere in the world, just because of being a woman. Women face violence, inequality treatment and abuse in different fields or areas affecting the opportunities for education, prosperity, development; opportunities to learn, earn and lead. Gender equality is a driver of poverty and fight for women rights.

Oxfam International aims to achieve gender equality and justice, which will contribute to tackle poverty. Changes and improvements in legislation and policies but core issues need to be tackled like the transformation in gender and power relations, the norms, structures, and values. Therefore, the organization believes that even working on tackle or promoting other projects, by putting women's rights in the heart of all of them is possible to respond and confront inequality and discrimination that surrounds women. The organization acts as follow (Oxfam International, 2019):

- Supporting women's access to resources.
- Raising women's voices.
- Ending violence against women and girls.
- Striving for gender equality in emergency response.

Conflicts and disasters

From 2008 the whole world is facing climate related disasters, insecurity and conflicts that lead to rise in humanitarian crises and vulnerable people. Conflicts such as Yemen, Syria and South Sudan are conflicts that continue and place communities and people in cycles of violence, poverty, and inequality. Moreover, the disasters related to climate related disasters have tripled in 30 years and is estimated that by 2030s regions like Southern, Eastern and the Horn of Africa and South and East Asia will face exposures to tropical storms, floods and droughts.

Oxfam helps and responds by bringing high quality aid quality lifesaving assistance and essential protection to the most needed and affected. The organizations establish long-term development programs to help to rebuild communities and provide support to be able to face and cope with uncertainties and crises (Oxfam International, 2019).

- Build resilience and local capacity.
- Support women's rights and gender justice.
- Campaign and influence others.

Water and sanitation

Access to water is a fundamental human right that many poor or developing countries do not have while in rich countries the availability of safe, clean and drinkable water is available, and it taken for granted. However, in the rest of the world, to reach water is a daily challenge that communities and people face, spending hours to arrive to a source of water or get access to it, as well as coping with the unhealthy and unsecured water conditions. The unsafe water conditions are the main reason of many diseases and deaths. Furthermore, the scarcity of water is also linked to poverty because it impacts issues like food production and security, insanity, women, and girls, among others.

The approach to water is present in almost every aspect of Oxfam's performance and the organization aims to ensure access to quality and quantity water in order to prevent disease and sustains lives. During conflict or disasters, people are vulnerable and the non or limited access to clean water can cause severe damages because a human cannot last without water more than 3 days. Oxfam through a team of professionals provides large-scale of water supply to the most needed and use techniques like easy-to-assemble water storage tanks, water buckets, water treatment units, and latrine slab structures (Oxfam International, 2019).

Source: Water and sanitation (Oxfam International, 2019)

5.3 Responding to humanitarian crises

Around the world millions of people are devasted and affected by terrifying conflicts, oppression and natural disasters, the human and economic costs are growing and having horrible impacts.

Source: Humanitarian Crises (ICRC, 2017)

It is needed a response from international communities in order to promote urgent, profound and tangible changes, it is a needed a severe response to violations of international laws and human rights. Governments and organizations must act, support, and provide quick solutions to protect humans and environment. The following actions are needed (Oxfam International, 2019):

Protect civilians from the horrors of war

The existence of a war or conflict results in the suffering and lose of everything for ordinary people. In today's conflicts rules are bent or broken and human rights abuses continue and are still unchecked.

It is important the current leaders commit or re-commit to the international laws such as Geneva Convention and the Arms Trade Treaty. Oxfam International ask for these actions to world leaders and to stop selling arms or not protect civilians from conflicts.

Stand up for people forced to flee

The world is still facing a huge human crisis not seen from the IIWW where millions of people are facing vulnerable situations that risk their lives, face poverty, hostility, disasters, and abuse. The governments need to develop a fair, united, and coordinated response together, because just a nation or country cannot face the problem alone. It is needed and quick response and actions added to the complete commitment of avoiding and prohibiting any act that affects international laws and human rights.

Help local people face the future on their own terms

For helping communities and livelihoods, the key is in offering the tools and mechanisms for long-term approach, rather than make profit of them and impose terms. The creation of a new humanitarian model needs to be created to give responsibility and leadership for own decision-making to communities.

5.4 The Voices of Women and the Oxfam Trailwalker

Case 1: "The day we will dance": Voices of women in the midst of conflicts in West and Central Africa

West and Central Africa are facing two challenges, on the one hand the attack of armed groups and on the other hand, the current world pandemic situation. Many communities of people, families, and individuals lost everything. In these regions, many women lost their couples and have to face the situation of difficulties and poverty added to the challenge of taking care of their families.

The case of Victorine from the Village of Dablo in Center-North of Burkina Faso is one among millions of women facing difficulties everyday – 'My children are my hope because they are the source of my life.'. She had to let the activity that was helping her to maintain her family and face hunger. However, she described that as one of the most needed for her and the communities is the water.

Oxfam International together with local partners and volunteers provide humanitarian aid to more than 400,000 internally displaced people (IDPs) and host communities. Access to water, hygienic and sanitation conditions is provided and protection for women and girls. Furthermore, the organizations in collaboration with other institutions drive projects and programs for conflict transformation and dialogue (Oxfam International, 2019).

Case 2: Oxfam Trailwalker

The Oxfam Trailwalker is an activity performed by a team of 4 volunteers that must walk up to 100 km in 48 hours or less, depending on the nature of the walk. It is a physical challenge but also a way to raise funding, the team will need to raise money to overcome poverty and injustice, while acting as ambassadors of Oxfam. The activity began when thousands of walkers around the world took the challenge in 1981. The activity can be performed in different regions of the world that the team will have to choose among them (Oxfam International, 2019).

Source: Oxfam Trailwalker (Clearbox Systems, 2014)

Chapter 6 JOIN THE MOVE

1. Existing networks and supporting programmes.

Fairtrade near you – **Get involved**
Oxfam **Volunteer**
Gold Standard – **Take actions**

2. Tools of reference to develop actions.

Gold Standard '**SDG Impact Tools Development Programme**'
Gold Standard – Take action in the fight against climate change
Offset **Emissions**
Fair Trade Village – **handicraft products**

3. Tips to taking action / recommendations / quotes.

Positive actions for people and planet

It is important to take decisions and choices considering the effects on the environment and livelihoods. It is important to reduce the carbon footprint, claim for changed by governments and industries, and promote ecofriendly products and practices (Gold Standard, 2019).

1. Reduce your impact

- Use energy efficient lightbulbs and turn off lights.
- Properly insulate + draught proof homes.
- Unplug devices.
- Line dry clothes.

- Use public transport.
- Electric vehicles.
- Walk or cycle.
- Reduce or eliminate air travel.

- Recycle + re-use.
- Consume less - buy fewer but better.
- Trying to avoid "fast fashion".
- Buy sustainably produced food + goods 'Fairtrade level'.
- Identify eco-friendly goods: The Ecolabel Index.

- Eat less meat - plant-based diets.
- Buy locally sourced, seasonal foods.
- Plant a garden.
- Reduce or eliminate consumption of bottled water and other beverages.

- Switch to renewable energy sources.
- Investment in own sources of renewable energy.
- Support energy suppliers that are working to provide 100% clean energy.
- Check out the RE100 list of global businesses committed to operating on 100% renewable electricity.

- Support clean energy.
- Support businesses that take climate action.

2. Get the Fair Trade Certificate

The Fairtrade certification process consists of the following main steps:

1. Business Assessment
2. Application
3. Contact approval
4. Submit Applications for each product

Marketing

Cost of Fair Trade Certification

o Farmer payments
o FLOCERT auditing fees (owned by Fair Trade International but operates as separate entity)
o Licensing fees

More information at **How to Get Certified**

Guidelines for the use of the FAIRTRADE Mark + Product composition policies for non-food products

The **FAIRTRADE Mark** guidelines provide brands with requirements on using the Mark and the term Fair-trade.

o The FAIRTRADE Mark

o The FAIRTRADE Cotton Mark

o The FAIRTRADE Gold Mark

o The FAIRTRADE Sourced Ingredient (FSI) Mark

o The FAIRTRADE Textile Production Mark

Chapter 7 TO GO FUTHER

Fair Trade and SDGs:

FairTrade: Sustainable Trade for Sustainable Development

Sustainable Development Goals and Fairtrade: The case for partnership

Gold Standard for the Global Goals - Transition Requirements

Video **'Fairtrade Climate Heroes: Zeddy Rotich, Kenya'**

Video **'Fairtrade Carbon Credits'**

Fairtrade Carbon Credits

Good agricultural and collection practice for starting materials of herbal origin – **European Medicines Agency**

Fair Trade Projects - Fairtrade develops innovative, impact-oriented projects, funded by donors, to support our mission.

Fair Trade Schools – **Resources** (such as audiobooks, files, assembly plants, etc.)

Gold Standard – Standard Documents for Gold Standard for the Global Goals

Oxfam International **Annual Report 2018-2019**

Chapter 8 PRACTICAL ACTIVITIES

8.1 Fair Trade Certificates

Write the name of each certificate next to the correct stamp. Let us see if you remember them!

CERTIFICATE	DENOMINATION

8.2 The Negotiating Game

Start by putting students in the roles of smallholder tea farmers or supermarket buyers to show how working together can give farmers more power in the supply chain.
The following documents/files need to be <u>downloaded:</u>

~ Instructions for teachers.
~ Roles worksheet.
~ Tea worksheet – each student playing the part of a tea farmer will need a card showing '100kg' of tea.
~ Money worksheet – each student playing the part of a buyer will need '£800' worth.

Note: the game is a simplified and do not reflect actual weights or prices. In reality, a tea picker can pick around 20kg each day.

Instructions:
a. Cut up the worksheets and give them out. You should always have more 'farmers' than 'supermarket buyers' (at least twice as many).
b. The information in black letters is information that can be shared. The information in grey letters (below the line) should not be shared. It is important background information and should be taken into account in negotiations.
c. Farmers need to approach different buyers and vice versa. Either party can say 'NO DEAL' if they want or need to.
d. Negotiations can run for 5 minutes or until a natural time to stop.
e. Reflect.
1. What prices are the farmers getting?
2. Will they be able to cover their costs?
3. If a family member is unwell will they be able to pay for medicine? What affected whether deals were made or not?

Consider if any of the farmers are working together. Suggest that perhaps if they work together they may be able to get a better deal.

Start negotiations again for 5 more minutes, encouraging farmers to work together. **– Did they get better deals that way?**

Understand the benefits of farmers working in a co-operative, the power in negotiations and the ways that being part of a Fairtrade co-operative helps farmers to get a better deal.

~ Roles worksheet.

TEA FARMER	TEA FARMER	TEA FARMER	TEA BUYER
You own a small tea farm. You have 100 kg tea to sell. If you get £400 for your tea you can cover your costs, feed your family, send your children to school and cover any sudden bills such as medicine. If you get £300 for your tea you can cover your costs, feed your family and send your children to school. If you get £150 for your tea you can just about cover your costs. If you do not sell your tea at all you will not be able to cover any of your costs let alone feed your family or send your children to school. This is not an option.	You own a small tea farm. You have 100 kg tea to sell. If you get £400 for your tea you can cover your costs, feed your family, send your children to school and cover any sudden bills such as medicine. If you get £300 for your tea you can cover your costs, feed your family and send your children to school. If you get £150 for your tea you can just about cover your costs. If you do not sell your tea at all you will not be able to cover any of your costs let alone feed your family or send your children to school. This is not an option.	You own a small tea farm. You have 100 kg tea to sell. If you get £400 for your tea you can cover your costs, feed your family, send your children to school and cover any sudden bills such as medicine. If you get £300 for your tea you can cover your costs, feed your family and send your children to school. If you get £150 for your tea you can just about cover your costs. If you do not sell your tea at all you will not be able to cover any of your costs let alone feed your family or send your children to school. This is not an option.	You are a buyer for a big supermarket. You need 200kg tea. You want to pay £200 in total. This will mean that you make a healthy profit and the shareholders will be pleased. You could probably stretch to £500 for 200 kg but the less you can pay the better. If you can't buy from one of the tea farmers for a low price there will probably be somebody else who will sell you tea at a low price. 100kg will not be enough. You need 200kg to fulfil your order.

~ Tea worksheet – each student playing the part of a tea farmer will need a card showing '100kg' of tea.

~ Money worksheet.

Conclusion: This is a beginning - My action

We’ve given you some advice; now it is time to turn this info into action… your action!
Write here your own remarks:

Conclusion: This is a beginning - My action