



FAIRTRADE



The future is fair

Genera Campos García, coffee
farmer at CENTROCAFE in Peru

INTRODUCTION TO THE FAIRTRADE
GLOBAL STRATEGY 2021-2025



Raihan Fitriana holding a seedling from the coffee nursery programme at Koptan Gayo Megah Berseri in Indonesia

Igniting a global appetite for justice.

Everyone understands what's fair. From an early age, we teach fair, we play fair, we strive for fairness with friends and neighbours.

It is an innate trait among human beings. Our ability to cooperate and think outside our own limited self interest has shaped the planet in good ways and bad.

As we struggle with the spectre of enduring inequality, the challenges of a changing climate, and the fall-out from a global pandemic, it is necessary to acknowledge our interdependence. We look to our shared sense of fairness to find solutions.

A just wage, living incomes, climate action, and respect for human rights – these are the hallmarks of a fair trade.

Fairtrade is a groundbreaking approach to trade justice.

From the start, we've envisioned a more just world, rooted in transparency: a world where producers and businesses engage in mutually beneficial relationships. Where shoppers and civil society can stand together with farmers and workers.

Fairtrade has been engineered for fair: directly addressing power imbalances, and acknowledging the external costs of business and its impact on people and the environment.

As global challenges become more urgent, Fairtrade must adapt.

Achieving decent and sustainable livelihoods for farmers and workers requires a step change. Social and

environmental justice are integral to the survival of our planet.

The problems are too large, the issues too urgent to tackle as individuals. We are expanding our model and engaging people and organizations to power our impact. This is Fairtrade's most ambitious strategy to date and it reflects the gravity of the challenges we face.

We see the desire for fairness in everyone.

We are all neighbours on this planet. We planted our roots as a social justice movement, and we invite you to join our community as we push for social and environmental change on a global scale.

Sincerely,
The Global Strategy Steering Committee

The World Today

Fairtrade's strategy has been shaped by global forces for change, both external and internal. Climate change, inequality and consolidation of market actors, growing demands for social justice, the global pandemic – all have contributed to the call for change.

Over the past 30 years, the issues that Fairtrade has championed – responsible business practices, fairer prices for farmers, better treatment for workers – have taken centre stage. Numerous alternative approaches and certifications have flourished. To maximize Fairtrade's impact for family farmers and workers, we will build quickly on our efforts to effect social and environmental justice.

3 WARMEST YEARS

on record have all occurred in the past 5 years

There are more than

40 MILLION VICTIMS

of modern slavery around the world

There are currently over

400

SUSTAINABILITY CERTIFICATIONS

around the world

LAND AREA SUITABLE FOR COFFEE

is rapidly decreasing due to climate change. It could decrease by

50% BY 2050

In 2018, more than

820 MILLION PEOPLE

around the globe were undernourished. The pandemic could double that number in 2021

The average coffee farmer on the African continent is

CURRENTLY 60 YEARS OLD

Interest in mitigating **HUMAN RIGHTS CHALLENGES**

is growing – nearly

70%

of EU businesses support EU-wide rules on due diligence to clean up supply chains



Fairtrade's Vision

A world in which all producers enjoy secure and sustainable livelihoods, fulfil their potential, and decide on their future.

Our Global Strategy 2021–2025 is based on three key tenets:

- ✦ **Decent livelihoods are a human right**
- ✦ **Social justice drives sustainability**
- ✦ **Radical collaboration powers deep impact**

The future is fair.



Peter Kinara, tea farmer and member of Finlays in Kenya

The World We Envision

With our 2021–2025 strategy, our vision of sustainable livelihoods for all remains the same, but how we get there will change. Fairtrade is more than a label; it is a beacon for social and environmental justice.

Our Global Strategy asks the question: *What does a world look like where justice is the norm?*

Our work is rooted in social justice, where people's rights and the environment are respected.

We are united for justice

Sustainable development is impossible without social and environmental justice. Across the Fairtrade system, we are working for justice from the beginning to the end of the supply chain.

Farmers and workers are front and centre

Our work is centred on the interests of the people we serve. Farmers and workers are embedded in all levels of our governance and decision-making.

One size does not fit all

Certification is integral to our approach, but can only go so far. True change requires us to develop specific and appropriate solutions that add value for businesses, producers, and our partners.

Connecting to impact

Understanding the impact of our work requires transparency and traceability, with the data to back it up. Greater access to a wider range of data across the system will streamline decision-making, demonstrate our impact, and support learning.

Our Global Strategy aims to:



Achieve sustainable livelihoods for all



Demonstrate the impact we deliver



Transform the supply chains we work in



Energize our community to advocate for justice



Launchpad for the Future

The goal: Transform the Fairtrade system into an agile organization that embraces innovation, digitalization and partnership.

Our Global Strategy 2021–2025

This strategy is the incarnation of the nearly 2 million farmers and workers, hundreds of traders, brands and retailers, and civil society actors and countless shoppers around the globe. The way we work is inclusive and reflects the priorities of our global system.

Innovation and agility lie at the heart of our Global Strategy 2021–2025. As a federation of Fairtrade organizations, we align ourselves behind the common principles of partnership, agile decision-making, accountability, innovation, and digitalization to engineer the Fairtrade of the future.

Our objectives:



Empowered Farmers and Workers

The aim: Build resilience to climate change, secure decent and sustainable livelihoods, and support women and young people.



Growth and Innovation

The aim: Develop new sources of growth, tailored solutions, and expansion into untapped markets.



Advocacy and Citizen Engagement

The aim: Push for action on power imbalances in supply chains, inequality, human rights risks, and climate change.



Digitalization for Fairer Supply Chains

The aim: Provide transparency and traceability that helps achieve fairer supply chains.



Shifting the Balance of Power to Farmers and Workers

We believe that farmers and workers are best positioned to address climate change, expand opportunity to all, and make agriculture an attractive option for young people.

By shifting the balance of power closer to farmers and workers, we strengthen the ability of producer organizations to effect change in their communities.

Our focus:

- ✦ **Achieving decent livelihoods through living income and living wages**
- ✦ **Building resilience and adapting to climate change**
- ✦ **Advancing the role of women and young people**
- ✦ **Ensuring human rights**
- ✦ **Tailoring programmes to producer priorities**



Agnes Chebii, flower producer and Chairperson of Gender Committee at Karen Roses in Kenya

HOW WE DO IT
Empowered Farmers and Workers

More than Minimum: Moving Towards Living Wage in Bananas

The Fairtrade Minimum Price has been a standard Fairtrade feature since the beginning: a tool to protect farmers in volatile markets. Now we are adapting our approach by making the business case for better wages for workers.

In December 2020, the new Fairtrade Base Wage for workers on banana plantations was introduced. This required wage is set at 70 per cent of the take-home pay needed for a living wage. The Base Wage is unique among certifications and will bolster security and stability for many workers on banana plantations.

This important step is the result of our work as a founding member of the Global Living Wage Coalition, an international consortium setting living wage benchmarks using a transparent methodology.

Learn more: fairtr.de/FairWages



Snaider Seachoque Oullos, banana
worker with EMPREBANCOOP in Colombia



More Fairtrade, Greater Value, New Services

We will increase sales of goods on Fairtrade terms by broadening our offer to new and existing customers. Labelled products will remain a critical component of our work; we will also develop bespoke solutions for commercial partners and producers. We will enter new markets and explore opportunities in local markets.

New sources of growth:

- ✦ **Tailored solutions – Changing expectations require a reinvigorated offer to businesses. We will offer bespoke solutions to commercial partners and producers, alike.**
- ✦ **Market expansion – Developing new markets for Fairtrade goods in both consumer and producer countries holds the potential for reducing emissions and boosting growth opportunities for producers.**
- ✦ **Next generation services – Fairtrade will support companies to develop new approaches to human rights due diligence and environmental issues in high-risk sourcing areas.**



Collaborating Beyond Certification

Fairtrade's ultimate goal is mutually beneficial trade where risks and rewards are shared across the supply chain. We collaborate with our partners to develop solutions that extend their impact.

Ben & Jerry's is committed to going beyond certification to help cocoa farmers in their supply chain achieve a living income in their approach to 'Linked Prosperity'. Fairtrade has partnered with the globally respected ice cream brand to lay out a tangible roadmap towards supporting farmers to earn a living income. In 2020, Ben & Jerry's committed to pay an additional \$600,000 over the following year to the more than 5,000 farmers they work with.

This amount is over and above the Fairtrade Premium and minimum cocoa prices, and a sign of their belief that social justice depends on sharing the rewards of business done right.

Learn more: fairtr.de/CocoalIncome





A Powerful Voice for Social and Environmental Justice

Fairtrade is a first step toward true change, but ultimately fairness must be embedded in trade policy at the regional and national level. We will leverage the power of our global brand to make social and environmental justice the norm and push for change at all levels.

We will unite our voice with civil society and other organizations to push human rights and decent livelihoods higher up the political and economic agenda.

Our focus:

- ✦ **Leading on living income and living wage**
- ✦ **Advocating for climate action, and due diligence on human rights and the environment**
- ✦ **Coordinating for policy change at the national, regional and global levels**
- ✦ **Uniting with key NGOs, member organizations and civil society in aligned advocacy efforts**
- ✦ **Mobilizing the strong consumer and civil society movements behind Fairtrade**



Trade Justice Beyond the Grocery Store Aisle

Public procurement represents a vast opportunity for countries around the world to contribute to achieving the United Nations Global Goals, and ensure fair treatment for farmers and workers. Global Goal 12, Responsible Consumption and Production, aligns directly with fair trade principles.

Fairtrade Italy and partners achieved progress by advocating for fair trade to be included as mandatory criteria in public procurement contracts. This means that all coffee, cocoa, tea, bananas and sugar sourced through public contracts must meet Fairtrade or World Fair Trade Organization standards at minimum.

The focus on public procurement also allows local governments to lead by example, demonstrating the impact of socially and environmentally just trade, and encouraging others in the private sector to do the same.

Learn more: fairtr.de/Procurement





Information for All

Mutually beneficial relationships are built on equal access to knowledge and information. When all actors in the supply chain are invested in transparency and traceability, the result is accountable supply chains where value and risk are shared by all.

Complete transparency and physical traceability of the highest level represent the biggest opportunities to connect producers, businesses and consumers.

Key efforts include:

- ✦ **Developing maximum physical traceability in our supply chains**
- ✦ **Ensuring equal and fair access to information across all supply chain actors**
- ✦ **Supporting producer organizations to effectively utilize their data and improve their position in trade negotiations**



Jesus María Vargas, sugar producer and president of the Administrative Council of the San Ramon Cooperative in Costa Rica

The Power in Data

Ownership of data represents a new opportunity for farmers to have more say in the supply chain. Information is power, and though farmers' organizations have access to an incredible amount of data, they often lack the means to adequately analyse and utilize the information.

A new partnership between cocoa cooperatives in the Côte d'Ivoire, technology partners, and funders is helping farmers implement internal management systems to track the first mile of production.

Once the systems are implemented, cooperatives will be able to map their members' farms, track sales, ensure product quality, and manage risks, such as deforestation. As owners of their own data, each cooperative can use their own system with multiple commercial partners rather than having to use each partner's system, or be tied to one specific commercial partner.

Learn more: fairtr.de/PowerInData

Gnankou Ferdine, cocoa farmer
at ECAKOOG in Côte d'Ivoire



Our Commitment to the Global Goals

The United Nations Global Goals (SDGs) provide a framework that allows us to measure our contributions to achieving a sustainable and just world. By aligning our indicators with the SDGs, we unite our actions to a global movement that directly addresses inequality, and social and environmental justice.

Read more at fairtr.de/SDGgoals



THE GLOBAL GOALS



GLOBAL GOAL 1

No Poverty

Farmers and workers will make strong progress towards a living income and living wages.



GLOBAL GOAL 2

Zero Hunger

Farmers and workers earning a dignified income or wage will be able to better provide for their families.



GLOBAL GOAL 5

Gender Equality

A push for equity will result in increased opportunities and representation for women and young people.



GLOBAL GOAL 8

Decent Work and Economic Growth

All workers will enjoy decent working conditions and exercise their rights freely.



GLOBAL GOAL 9

Industry, Innovation and Infrastructure

Supply chains will be fully traceable and transparent.



GLOBAL GOAL 12

Responsible Consumption and Production

Consumers, producers and advocates will push for social and climate justice.



GLOBAL GOAL 13

Climate Action

Farmers and workers will apply environmentally sustainable practices as they adapt to a changing climate.



GLOBAL GOAL 17

Partnerships

Fairtrade will leverage commercial and civil society relationships to co-create new pathways towards impact.



**the
future
is fair**

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