



Q&A

FAIRTRADE SOURCING AND HUMAN RIGHTS

FOR INTERNAL USE ONLY

Linus Hallgren

STEP 1: HOW DOES A HUMAN RIGHTS COMMITMENT BY A COMPANY LOOK LIKE?

It is a company statement to commit to respect Human Rights (HR), see e.g. [ALDI's](#) and [Mars'](#) statement. Note, that Fairtrade has its [own commitment to HR](#) that can be shared with customers as reference and guidance. Further guidance can be found in the [HRDD Webinar #3](#), slide 5ff.

STEP 3: WHAT KIND OF TRAININGS ARE PROVIDED?

Producer networks provide various trainings to certified Producer Organisations, covering a big variety of topics, such as: Standard related aspects to improve assurance, good environmental practices, or social compliance trainings on gender, children, labor rights or participation.

STEP 6: WHAT IS FAIRTRADE DOING ON REMEDIATION? ARE THE GRIEVANCE MECHANISMS REQUIRED BY FT STANDARDS UNGP ALIGNED?

Generally speaking, remediation includes a process of understanding the nature and severity of the incident as well as its underlying causes, developing an appropriate response and monitoring the situation in the future through regular reviews. In Fairtrade, remediation is reflected in FT standards and in the so-called safeguarding and protection policies. The SPO standard mentions remediation in 3 areas: child labour, forced labour, gender-based violence. Protection, safeguarding policies (e.g. the protection policies for children and vulnerable adults) and codes of conduct (e.g. the FI **CODE OF ETHICS**) are organizational policies and exist at different levels within the Fairtrade system.

To date, grievance mechanisms as required by FT standards are not all fully UNGP aligned. The requirement in the Hired Labour standards is quite robust, i.e. UNGP compatible. The SPO and Trader Standard do not include any requirement on grievance mechanisms. The current allegations procedure operated by FLOCERT is not UNGP compatible. Fairtrade is currently working towards strengthening its different procedures around grievance mechanisms.

GENERAL: WHY ARE FAIRTRADE PROGRAMS CURRENTLY NOT MENTIONED AS HRDD RELATED OFFER TO BUSINESS?

The underlying paper “Sourcing and Human Rights” is focusing on HRDD related aspects that are provided to companies as soon as they source Fairtrade. Fairtrade Programs go beyond sourcing and are therefore not mentioned. Even if programmes are increasingly offered, not all NFOs yet offer programmes.

GENERAL: DO ANY OF THE MENTIONED SERVICES INCUR ADDITIONAL COSTS FOR LICENSEES?

All the mentioned aspects of our work are part of Fairtrade’s service portfolio as soon as a company sources Fairtrade. However, as laid out in the disclaimer, not all mentioned services are provided to all POs/licensees automatically. It is a tiered approach and thus, the ultimate decision on whether a service is delivered at all or might require additional costs lies with the respective NFO/PN. **In that sense, the proposed paper can be customized and tailor-made according to individual needs.**

GENERAL: DO COMPANIES FULLY COMPLY WITH DUE DILIGENCE REQUIREMENTS AS SOON AS THEY SOURCE FAIRTRADE?

No, according to the OECD guidelines the responsibility for complying with due diligence cannot be transferred to third parties and thus always lies with the company. There are certain limitations of our certification, too: our scope is supply chain specific and not companywide, we do not cover all actors within a supply chain (e.g. subcontractors, transport) and especially the Fairtrade trader standard is rather weak with regards to including significant HRDD requirements.

GENERAL: WHICH HUMAN RIGHTS VIOLATIONS DOES FAIRTRADE PRIMARILY FOCUS ON?

Fairtrade mainly works with agricultural supply chains and the textile industry. Our leverage is greatest in the supply chains of coffee, cocoa, bananas and flowers. According to the [Fairtrade Commitment to Human Rights](#) the salient human rights issues, which our efforts to mitigate, prevent, cease and remediate chiefly focus on, include:

- living wages and living incomes
- child labour, forced labour and gender-based violence
- discrimination based on gender, ethnic origin or other status
- freedom of association and unionization – conditions of work
- environmental rights



GENERAL: DOES FAIRTRADE OFFER SUPPLY CHAIN SPECIFIC AND HRDD RELATED INFORMATION AS STANDARDIZED INFORMATION?

No, only aggregated.

GENERAL: WHO OFFERS THE MENTIONED SERVICES?

NFOs and PNs provide the mentioned services. Please note, as stated in the disclaimer, not all NFOs/PNs will provide the same service level. Some will offer more/different services than others as we consider this a tiered approach as in other areas of Fairtrade's O2B. The HRDD Center Of Excellence and Working group can provide general level guidance and support, via information sharing and capacity building.

GENERAL: WHAT ABOUT ENVIRONMENTAL RIGHTS?

According to the [Fairtrade Vision for Human Rights and Environmental Due Diligence](#), we understand that human rights include environmental rights. Because the state of the environment and human rights are intricately linked to each other, any HRDD process should also cover environmental and climate change related rights. Indeed, tackling the worst human rights violations requires tackling environmental abuses, and vice versa.

GENERAL: WHERE CAN I FIND MORE INFORMATION ABOUT THE HRDD CYCLE?

You can find further information in the [OECD Guidance for Responsible Business Conduct](#). Please also refer to the recordings and slides of the online sessions provided by the Fairtrade HRDD Working Group: <https://reilukauppa.fi/hrdd-coe-webinars/>

GENERAL: WHICH KIND OF (AGGREGATED) DATA CAN BE RELEVANT FOR COMPANIES WITH REGARDS TO THEIR HRDD REQUIREMENTS? WHAT EXAMPLES ARE THERE?

Premium Use information related to SDGs

Supply chain information (in near future out of FairLens)

Early warning about suspensions/decertifications (via FairMonitor in ECERT)

Non-conformity information via ECERT/FLOCERT

FI MEL data, e.g. via webMo dashboard (upon request)

www.fairtrade.net/impact/monitoring; www.fairtrade.net/issue

Please note that any kind of data sharing shall follow prevailing [rules for data sharing & confidentiality](#)

GENERAL: WHAT HUMAN RIGHTS GUIDELINES DO FAIRTRADE STANDARDS INCORPORATE?

The Fairtrade [SPO standard](#) and [Hired Labour Standard](#), see chapter 3, refer to ILO conventions. In addition to WHO and UNCRC guidelines depending on where applicable.

Issue Date: December 2020, HRDD Working Group

Further information: Fairtrade's HRDD Center of Excellence, bizhumanrights@fairtrade.fi