

# A Fair Price for Human Rights Due Diligence

Dr. Annika van Baar, Vrije Universiteit Amsterdam & Floor Elize Knoote, Dimes Consultancy

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## I. Definitions and Acronyms

**Child Labor:** The term “child labor” is defined by the ILO as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that is mentally, physically, socially, or morally dangerous and harmful to children; and/or interferes with their schooling by: depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work.

**Child Work:** Child work is legally acceptable work for children particularly light work that does not interfere with education.

**Child Protection Policy** Fairtrade International’s Protection Policy and Procedures for Children and Vulnerable Adults are triggered when FI is made aware of an allegation or suspicion with regard to the worst forms of Child Labor, Forced Labor and Gender Based Violence and related exploitation, abuse and/or neglect in Fairtrade producer organizations.

**CLAC:** The Latin American and Caribbean Network of Fairtrade Small Producers and Workers (CLAC) co-owns the Fairtrade International system. CLAC is the network that represents all organizations certified as “Fairtrade” in Latin America and the Caribbean, as well as other organizations of fair trade; its mission is to represent and promote the interests, empowerment and development of its members and communities.<sup>1</sup>

**Company Level Grievance Mechanisms:** The UN Guiding Principles, in principle 25 and 29<sup>2</sup>, define grievance mechanisms as any routinized judicial or non-judicial process, administered by enterprises, alone or in cooperation with others or through a mutually acceptable external expert or body through which grievances concerning business related human rights abuse can be raised and remedy can be sought. The Fairtrade Hired Labor Standards define the requirements for Grievance Mechanisms (a procedure for conflict resolution’ in Standard 3.5.27.

**Human Rights (lack of) Impact** (as collected to form outcomes in the outcome harvesting method): a salient improvement or deterioration or lack of change in the human rights situation of rights holders in the domains of living income, working conditions, freedom of association, child labor & forced labor and discrimination & women’s rights as identified by preexisting research and/or key informants.

- Improvements and deterioration of the enjoyment of human rights refers to salient changes in power relationships and transformative change leading to (more or less) enjoyment of human rights rather than a temporary change with the status quo.
- A lack of impact is a sustained situation where human rights remain adversely affected despite expectations that Fairtrade interventions would lead to improvements.

**Fairtrade:** the Fairtrade global organization.

**FTA:** Fairtrade Africa

**FI:** Fairtrade International (Bonn)

**Fairtrade Interventions:** Fairtrade standards (including Minimum Price and Premiums), programs and projects and advocacy carried out by Fairtrade organizations.

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<sup>1</sup> See <https://clac-comerciojusto.org/en/clac/presentacion/who-we-are/>

<sup>2</sup> See [https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf).

**Freedom of Association:** the right of all workers to join or form an organization of their own choosing without prior authorization from their employer or public authorities.<sup>3</sup>

**Freedom from Discrimination** Every woman, man, youth, and child has the human right to freedom from discrimination based on gender, race, ethnicity, sexual orientation, or any other status, and to other fundamental human rights dependent upon realization of the human right to freedom from discrimination.<sup>4</sup>

**Gender Based Violence:** Gender Based Violence (GBV) refers to harmful acts directed at an individual based on their gender. It is rooted in gender inequality, the abuse of power and harmful norms. GBV is a serious violation of human rights and a life-threatening health and protection issue.

**Human Rights Domains:** acknowledging that all human rights are intertwined, we focus on five domains of human rights

- Living Wage, including, for example, the right to a living wage, to fair remuneration.
- Working conditions, including, for example, the right to reasonable working hours, the right to a safe working environment and protection against unemployment
- Freedom of association, including, for example, the right to form and join trade unions, the right to strike.
- Child Labor and Forced Labor, including, for example, the prohibition on child labor and prohibition of all forms of forced labor
- Discrimination & Women's Rights, including, for example, Women's Right to Work, the right to Maternity protection the right to freedom from discrimination.

**Human Rights Due Diligence:** the *process* of assessing actual and potential negative Human Rights impacts in which corporations are or might be involved and, put succinctly, acting upon these in a way that lessens negative impacts and provides remediation when negative impacts have occurred.

- For businesses, the UN Guiding Principles for Human Rights (principles 18 through 21) define four core components of HRDD that **should be integrated into a company's policies and systems**.

(a) **Identifying and assessing actual or potential adverse human rights impacts**

(b) Integrating findings from impact assessments across relevant company processes and **taking appropriate action to prevent and mitigate these impacts**.

(c) **Tracking the effectiveness of measures and processes to address adverse human rights impacts** in order to know if they are working; and

(d) **Communicating on how impacts are being addressed** and showing stakeholders – in particular affected stakeholders – that there are adequate policies and processes in place.

(e) In addition, according to principle 22, 'where business enterprises identify that they have caused or contributed to adverse impacts, they **should provide for or cooperate in their remediation** through legitimate process'.

The **bold aspects** above correspond to the 6 steps of HRDD as portrayed by the OECD Due diligence Guidance<sup>5</sup> that is used as a point of departure for chapter 5.

<sup>3</sup> Definition from FLOCERT, see <https://www.flocert.net/glossary/freedom-of-association/> See also: [https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:C087](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C087)

<sup>4</sup> See <https://www.unfpa.org/resources/human-rights-principles>

<sup>5</sup> See <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

**Human Rights Due Diligence-relevance (HRDD-relevance) of Fairtrade interventions:** the extent to which Standards (including Minimum Price and Premiums), Fairtrade Programs and Projects and Fairtrade advocacy are relevant to the identification, mitigation, tracking and remediation of negative human rights impacts.

**Living Income, living wage:** Living income (for farmers) and living wage (for hired workers) covers the basic needs of workers and their families, including food, clothing, shelter, healthcare, education, transport to work and a little extra for unforeseen circumstances and enables a decent standard of living. Fairtrade bases living income and living wages in different countries and contexts on the Anker methodology for benchmarking<sup>6</sup>. In this study, we focus on the ability of farmers and workers to achieve an income for an adequate and decent standard of living as defined in article 25 of the Universal Declaration of Human Rights<sup>7</sup>. However, living wage and living income are not measured against a quantitative benchmark but assessed qualitatively but based on verbal statements of farmers and workers.

**Outcome:** descriptions of positive, negative and lack of human rights impacts that describe specific changes in the enjoyment of human rights and/or power relations in the three countries and five domains that this study focuses on.

**Meaningful HRDD:** a process of HRDD that is constant, rather than one-off, meaningfully engages with rights-holders, the human rights risks for rights-holders, rather than the business risks of the company. It is directed at transformative change that enables businesses to respect Human Rights and is able to prevent adverse human rights impacts. In contrast<sup>8</sup>, **tick-the-box** HRDD is cosmetic compliance, superficial, aimed at complying with a restricted set of requirements to avoid negative consequences for the business.<sup>9</sup> An example of the latter is cutting supply chains after indications of human rights problems in order to avoid damage to the company. This practice of cut and run does not improve but rather worsens the human rights situation at producer level.

**Mitigation:** The mitigation of a negative human rights impact refers to actions taken to reduce the extent of the impact. The mitigation of a human rights risk refers to actions taken to reduce the likelihood that a potential negative impact will occur.<sup>10</sup>

**Remediation:** The mitigation of a negative human rights impact refers to actions taken to reduce the extent of the impact. The mitigation of a human rights risk refers to actions taken to reduce the likelihood that a potential negative impact will occur.<sup>11</sup>

**SPO:** Small Producer Organization, which are legally registered groups and other less formally organized structures whose members are primarily small producers/small-scale producers able to engage in commercial activities.<sup>12</sup>

**Women's Rights:** Women's rights in this study are defined as those rights defined in the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) (1979) is a key international treaty addressing gender-based discrimination and providing specific protections for women's rights. A specific focus within this convention and this study is freedom from gender based violence (GBV) Fairtrade is helping to challenge the gender gap, enabling women to stake their claim and succeed on their own terms. Fairtrade Standards are designed to prevent gender inequality, increase female participation, and empower more women and girls to access the benefits of Fairtrade.

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<sup>6</sup> Anker & Anker (2017). A Shared Approach to Estimating Living Wages retrieved from [https://files.fairtrade.net/standards/GLWC\\_Anker\\_Methodology.pdf](https://files.fairtrade.net/standards/GLWC_Anker_Methodology.pdf)

<sup>7</sup> See <https://www.un.org/en/about-us/universal-declaration-of-human-rights>

<sup>8</sup> The distinction between meaningful and tick-(the-)box HRDD is also made by the Working Group on the issue of human rights and transnational corporations and other business enterprises, see for example <https://undocs.org/A/73/163>.

<sup>9</sup> For a discussion of evidence that businesses take the tick-the-box approach see: Landau, I. (2019). Human rights due diligence and the risk of cosmetic compliance. *Melbourne Journal of International Law* 20, 221.

<sup>10</sup> Shift (2017) UNGP Reporting Framework, see <https://www.ungpreporting.org/>

<sup>11</sup> Ibid

<sup>12</sup> <https://www.fairtrade.net/standard/spo>

**Working Conditions:** Working conditions are at the core of paid work and employment relationships. Generally speaking, working conditions cover a broad range of topics and issues, from working time (hours of work, rest periods, and work schedules) to remuneration, as well as the physical conditions and mental demands that exist in the workplace.<sup>13</sup>

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<sup>13</sup> <https://www.ilo.org/global/topics/working-conditions/lang--en/index.htm>





## Executive Summary

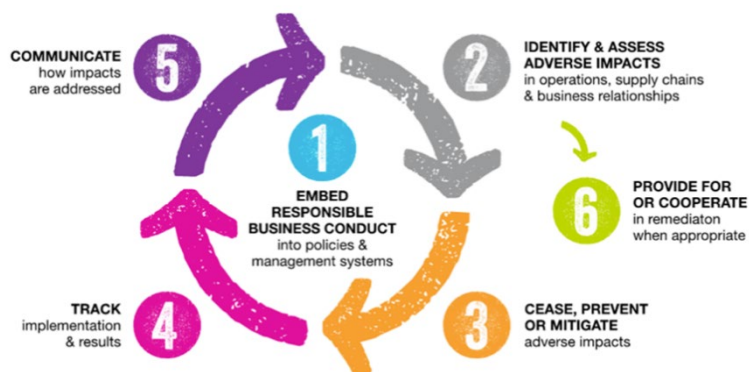
Human rights underpin all efforts that Fairtrade International (Fairtrade or “FI”) takes, starting with the right to a decent standard of living and the right to work, equal pay for equal work, fair working conditions, and freedom of association and freedom from discrimination. In addition, rights-holder empowerment and changes in power relations are central to FI. Because businesses progressively seek to ensure that their own supply chains are free from human rights violations – known as a process called ‘human rights due diligence’ or HRDD – this topic is also increasingly important for Fairtrade. Fairtrade is positioned between (downstream) retailers, brands, and manufacturers, who are the main bearers of HRDD requirements, and (upstream) producer organizations that gain market access to the Global North through certification. Fairtrade therefore has a unique position vis a vis HRDD. This is a first external, empirically informed analysis of the contribution of Fairtrade interventions to Human Rights Due Diligence (HRDD).

This study is carried out using an Outcome Harvesting method, which means that we collaborated closely with FI, other Fairtrade organizations and Producer Networks to identify potential human rights related outcomes to which Fairtrade interventions may have contributed in the coffee sector in Colombia and Ethiopia and the banana sector in Colombia and the Dominican Republic. We focused on living income, working conditions, freedom of association, child labour and forced labour and discrimination and women’s rights. The empirical analysis of these outcomes, carried out by local research teams, desk research and global interviews were the basis for our analysis on what is Fairtrade’s relevance in each of HRDD’s steps.

In the coffee sectors in Colombia and Ethiopia, we found that Fairtrade’s Minimum Price and Premium as well as the SPO standard provide a notable contribution towards a living income for certified coffee farmers, but a living income is not yet always achieved. Also, impact on child labour and women’s participation remains limited because of the cultural and economic roots of child work and deep-rooted gender roles, respectively. Power balance between producers and buyers is still quite uneven and hard to change for FI. There is also a structural difficulty for Fairtrade in reaching seasonal hired workers.

In the banana sectors in Colombia and the Dominican Republic, FI has contributed to the strengthening of workers’ rights through the training of CLAC and through investment of the premium in housing, education, and health of workers and their families. However, in the Dominican Republic, while Fairtrade has been able to provide access to social security and written contracts for migrants (which stand for 80% of the workforce), the impact on power relations impact also here is limited, as marginalized migrant workers are still grossly disadvantaged. In Colombia, while Fairtrade’s action on Worker Committee activities strengthens workers’ rights, “the voice” in plantations, still seems to be held predominantly by management and grievance mechanisms are grossly underused.

From the analysis it appears that the human rights domains on which Fairtrade has had, and can have, the most impact, fall predominantly within the realm of social and economic rights. A better income (even if it does not always reach a living income or wage due to external factors) leads to a better standard of living. However, many of the unequal power relations in the banana and coffee supply chains are linked to violations of political or civil rights (non-discrimination, status, equality before the law, freedom of association), linked to culture (machismo, patriarchy) or linked to the existing policies and laws of the country of focus (e.g., the right to form and join unions). It is therefore not surprising that Fairtrade has had more impact on standard of living, and limited impact on migrant’s rights and women’s rights, for example.



Relating the previous analysis to where Fairtrade's interventions have relevance for HRDD, we concluded that Fairtrade interventions are most relevant in step 2, 3 and 4 of the process of HRDD.

Because of Fairtrade's insight on sectoral, product, geographic, political and climate change risks in a wide variety of contexts, Fairtrade's interventions are highly relevant for step 2. Fairtrade is also in a good position to bring insights on risks and the voice of producers to the table as a partner in

corporate risk identification and assessments. Our analysis of Fairtrade's varied and interrelated set of interventions have the capacity to contribute to ceasing, preventing and mitigating certain human rights risks (step 3). For step 4, Fairtrade's capacity to potentially contribute to tracking effectiveness of HRDD activities lies in assisting with identifying new risks and previously overlooked risks. In sum, there is an actual and potential place for Fairtrade in human rights due diligence processes as a valuable *partner*, at least in the banana and coffee sector, in various steps of HRDD.

Companies' HRDD cannot be outsourced: Fairtrade needs to position herself explicitly as a *partner* in this process. Taking adequate measures will always (need to) be the responsibility of the company itself and we see a serious risk in Fairtrade taking on too much responsibility in the HRDD of companies - also because there are structural deficiencies in audit processes to assess certain aspects of human rights.

As a partner in HRDD, Fairtrade's interventions and infrastructure do appear fit for providing highly contextualized action tailored to specific vulnerabilities. They show a degree of flexibility that could potentially respond to salient issues upstream in supply chains, as is central to HRDD. The most important ingredients of this capacity include that Fairtrade Producer Organizations and Fairtrade staff are well informed on the salient issues that are relevant, and often have long lasting relations with producers and stakeholders. Therefore, Fairtrade has the potential to give its members a 'head start' into making the issues in the chain more visible and contextualized, which is a starting point for meaningful HRDD.

# 1. Introduction

## a. Context

Fairtrade International builds its work on the notion that farmers and workers have a right to receive a fair share of the trade they make possible through their work. The Fairtrade system connects farmers and workers from developing countries with consumers and businesses across the world to achieve better prices, decent working conditions, a fairer deal for farmers and workers in developing countries, and better sourcing commitment.<sup>14</sup> **Human rights** therefore underpin all efforts that Fairtrade take, starting with the right to a decent standard of living and the right to work, equal pay for equal work, and fair working conditions, including freedom of association and freedom from discrimination. In addition, rights-holder empowerment and **changes in power relations** are central in advancing human rights.<sup>15</sup> Because businesses progressively seek to ensure that their own supply chains are free from human rights violations – known as ‘human rights due diligence’ or HRDD – this topic is also increasingly important for Fairtrade.

Fairtrade works to improve small-scale farmer and worker incomes, in part through the European Commission - Fairtrade Framework Partnership Agreement, established in 2016. Before that time and since, Standards for Smallholder Producer Organizations, Hired Labor and the Trader standards, and the **Fairtrade Minimum Price and Premium** have been key instruments in Fairtrade’s work. In addition, Fairtrade engages in dialogue with local and European governments, to foster a conducive regulatory environment. While the benefits and scale of Fairtrade and the organization’s work to empower farmers and workers to combat poverty are well documented<sup>16</sup>, it is now important to assess the ‘Fairtrade-human rights nexus’<sup>17</sup> to inform insights on the HRDD-relevance of Fairtrade and Fairtrade Interventions.<sup>18</sup>

Currently, an external<sup>19</sup>, empirically-informed analysis of the contribution of Fairtrade interventions to Human Rights Due Diligence is lacking. Knowing about the specific human rights impacts of Fairtrade’s interventions (beyond impacts on poverty and other aspects of fair production and trade) is necessary to assess the relevance of interventions for Human Rights Due Diligence for corporate actors.

In **chapter 2**, we set out Fairtrade’s unique position in the HRDD landscape. On the one hand, Fairtrade’s vision and mission include having positive impacts on human rights. This includes both positive impacts of Fairtrade interventions as well as possible violations taking place. In case of violations the relevant Fairtrade policies and processes are triggered. For this study too, all protection triggers initiated in data collection on child labor, forced labor and/or gender based violence have been followed up according to FI’s Protection Policy for Children and Vulnerable Adults.<sup>20</sup> On the other hand, Fairtrade is a potential partner in the HRDD of commercial actors (retailers, manufacturers, and brands) and acts under market pressures that are similar to those of commercial actors. As a result, the question of how Fairtrade Interventions are relevant for HRDD needs two related but distinct perspectives, with particular knowledge needs.

The first perspective is predominantly internally oriented: Fairtrade wants to know about the human rights-effects of its own interventions. The second is predominantly externally oriented and related to Fairtrade’s position as an intervener in the (existing or potential) HRDD processes by value chain actors: Fairtrade wants to know whether and how its interventions contribute to the different aspects of HRDD, such as identification, mitigation and remediation of negative

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<sup>14</sup> See, for example, <https://www.fairtrade.net/about/what-is-fairtrade> and <https://www.fairtrade.net/standard>

<sup>15</sup> FTI (2000) Our Commitment to Human Rights. Retrieved from <https://files.fairtrade.net/Fairtrade-Human-Rights-Commitment-Paper.pdf> (last accessed 16 March 2021). “Rights-holder empowerment and changes in power relations are central in advancing human rights”, according to Fairtrade.

<sup>16</sup> See, for example, Fairtrade’s Monitoring Report 10th Edition retrieved 25 May 2022 via [https://files.fairtrade.net/publications/2019\\_Monitoring\\_summary\\_10thEd.pdf](https://files.fairtrade.net/publications/2019_Monitoring_summary_10thEd.pdf)

<sup>17</sup> In particular, it is now time to assess the relevance of existing Fairtrade activities in light of the trend of states to enact human rights due diligence legislation requiring companies to undertake human rights due diligence and improve human rights performance in their own operations and/or within their supply chains.

<sup>18</sup> The interventions include: standards, including minimum Prices and premiums; projects & programs and; lobby and advocacy activities.

<sup>19</sup> Internally, HREDD is assessed by the HREDD Centre of Excellence.

<sup>20</sup> See also Annex E.

risks and impacts by other actors in the value chain. From this perspective, Fairtrade wants to more fully understand how it can position itself vis-à-vis these actors within HRDD developments.

By looking at the impact of Fairtrade's interventions on Human Rights, both these perspectives and knowledge needs will be addressed in order to assess whether and how Fairtrade interventions are relevant for HRDD processes of Fairtrade itself and for companies that use and sell product from Fairtrade value chains.

## b. Research questions

To reach a conclusion on the HRDD-relevance of Fairtrade Interventions, the central questions<sup>21</sup> in this research are:

- 1) **What are the human rights impacts on rights holders, in the Fairtrade coffee and banana sectors;**
- 2) **What role(s) do Fairtrade interventions play in these impacts;**
- 3) **What can and should be Fairtrade's role within meaningful HRDD processes;**
- 4) **and what are recommendations on Fairtrade's HRDD relevance.**

The first two questions are answered based on research on the coffee supply chains in Ethiopia, the banana supply chain in the Dominican Republic and the banana and coffee supply chains in Colombia. We focus on five key domains of Human Rights: Living Income, Working Conditions, Freedom of Association, Child Labor and Forced Labor and Freedom from Discrimination & Women's Rights. These questions relate to internally oriented knowledge need set out above and are based on selected outcomes<sup>22</sup> identified through outcome harvesting and through field studies carried out by local research teams in each of these countries (see Methodology in **Chapter 3**). The main human rights risks and scope of impact of Fairtrade interventions on these risks in the coffee and banana supply chains in Colombia, Ethiopia and Dominican Republic are presented in **Chapter 4**.

The third question is answered based upon the findings coming from Fairtrade's impact on salient human rights issues in the contexts of focus, which are complemented by additional desk study, interviews, and analysis. The answer is structured by the 6 steps companies are expected to carry out as part of Human Rights Due Diligence and the relevance of Fairtrade and Fairtrade interventions in those steps. It can be found in **Chapter 5**, where we also discuss the role of FLOCERT's auditing in the HRDD process. **Chapter 6** further describes recommendations for Fairtrade regarding how they can be most relevant in the human rights due diligence picture and how they can prevent themselves from becoming a proxy for companies' HRDD.

## 2. Fairtrade's unique position in HRDD landscape

In the United Nations Guiding Principles (UNGPs), HRDD is defined as the *process* of assessing actual and potential Human Rights impacts and put succinctly, acting upon those in a way that lessens negative impacts and provides remediation when human rights are violated.<sup>23</sup> Through this process, enterprises work towards compliance with their Responsibility to Respect as defined in the United Nations Guiding Principles on Business and Human Rights, within the Protect, Respect, and Remedy framework. This non-legal general principle 'Responsibility to respect' applies to 'all business enterprises, both transnational and others', regardless of their size, sector, location, ownership, and structure'.<sup>24</sup> However, business enterprises, especially those located in the Global North, are increasingly expected to

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<sup>21</sup> The sub questions of this study can be found in Annex A

<sup>22</sup> Outcomes are descriptions of positive, negative and lack of human rights impacts that describe specific changes in the enjoyment of human rights and/or power relations in the three countries and five domains that this study focusses on. Selected outcomes were selected in collaboration with Fairtrade International, Fairtrade Africa and CLAC.

<sup>23</sup> In the words of the UNGPs, human rights due diligence is the process to identify, prevent, mitigate and account for how businesses address their impacts on human rights, see [https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf)

<sup>24</sup> See UN Guiding Principles p.1, General Principles

acknowledge their responsibility to respect human rights throughout their supply chain, as evidenced by recent initiatives and legislation to make HRDD a legal obligation at the national and EU level.<sup>25</sup>

While **corporations** are integrating HRDD into their operations, risk assessments, assurance and responses, governments, NGOs and CSOs play crucial roles as well in the development of HRDD as a dominant regulatory trend and approach to reduce adverse human rights impacts<sup>26</sup> that can be linked to business activity. **Governments** (including supranational structures such as the European Union) are grappling with mandatory HRDD for companies through legislation or voluntary guidelines. Non-governmental Organizations (**NGOs**) and Civil Society Organizations (**CSOs**) use the promise of HRDD to try to improve human rights around the world to pressure both governments and companies to intensify their efforts to make HRDD meaningful, in spite of the global market economy's counter-pressures.

Where does **Fairtrade** fit in? While Fairtrade is involved in some of the NGO efforts described above, such as contributing to the push for mandatory human rights due diligence<sup>27</sup>, Fairtrade's position in the HRDD landscape goes beyond that of many other NGOs. This is mainly because it operates under market pressures related to the production and trade of certified products and its activities are so closely connected to the activities of for-profit companies. Fairtrade's position in the HRDD landscape is unique because:

On the one hand, Fairtrade interventions (and the 'Fairtrade System') in themselves are intended to have a positive effect on human rights and can potentially mitigate (or fail to mitigate) human rights breaches and risks that are salient in global supply chains and markets. On the other hand, Fairtrade is an actor in the (existing or potential) HRDD processes of commercial actors. Fairtrade and Fairtrade interventions are HRDD-relevant when they contribute to HRDD carried out by commercial actors, that is, assessments of actual and potential Human Rights impacts by business activity and actions based upon those assessments in ways that lessen negative impacts and provide remediation when human rights are violated. Fairtrade is positioned between (downstream) retailers, brands, and manufacturers, who are the main bearers of HRDD requirements, and (upstream) producer organizations that gain market access to the Global North through certification. This study focusses on Fairtrade's HRDD-relevance for downstream retailers, brands, and manufacturers as the main bearers of responsibility to respect human rights under the UNGPs.<sup>28</sup>

### 3. Methodology

#### a. Approach

Outcome Harvesting collects ("harvests") evidence of what has changed ("outcomes") and then, working backward, determines whether and how an intervention has contributed to these changes. Information is collected or "harvested" using a range of methods to yield evidence-based answers to useful, actionable questions ("harvesting questions"). Outcome harvesting is recommended when the focus primarily on outcomes (rather than activities) and the purpose is evaluation. It can serve to track the changes in behavior of social actors influenced by an intervention, which is a key component of measuring human rights compliance in the supply chain. It is designed to support learning about those achievements. It is also specifically useful in contexts where the relations cannot easily be seen as cause and effect because they are complex and multiple actions and actors influence changes. In 2013, the Evaluation Office of the United Nations Development Program (UNDP) selected Outcome Harvesting as one of eleven promising innovations<sup>29</sup> in

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<sup>25</sup> See for example Quijano, G., & Lopez, C. (2021). Rise of Mandatory Human Rights Due Diligence: A Beacon of Hope or a Double-Edged Sword?. *Business and Human Rights Journal*, 6(2), 241-254, retrieved from: <https://www.cambridge.org/core/journals/business-and-human-rights-journal/article/rise-of-mandatory-human-rights-due-diligence-a-beacon-of-hope-or-a-doubleedged-sword/34FB600B4B6939BC04895BF871E96BA3>

<sup>26</sup> In addition to prevention, mitigation, and remediation of negative impacts, HRDD could arguably also increase positive business contributions to human rights.

<sup>27</sup> See <https://www.fairtrade.net/news/from-voluntary-to-mandatory-fairtrade-pushes-for-more-human-rights-due-diligence>

<sup>28</sup> A full investigation of Fairtrade's relevance for producer organizations access to market through compliance with HRDD-norms is therefore beyond the scope of this research.

<sup>29</sup> [https://www.betterevaluation.org/resources/overview/innovations\\_in\\_m\\_and\\_e](https://www.betterevaluation.org/resources/overview/innovations_in_m_and_e) (

monitoring and evaluation practice. In addition, the World Bank Institute has listed the approach listed amongst its resources for internal monitoring and evaluation.

The Team chose this approach because of several features of outcome harvesting that match Fairtrade's objective;

- Fairtrade is looking for information on its **contributions to change on human rights** and a primary aim is to learn about change in order to improve future performance;
- The situation is **complex**: the relationship between cause and effect is not fully understood and many different actors influence change (including e.g., national human rights and development policies);
- The focus of the current study is mostly on **outcomes** rather than activities or outputs. It puts focus on what is achieved;
- Outcome harvesting is particularly effective at addressing also **unintended outcomes**, as it treats all outcomes equally, rather than concentrating primarily on planned change.

### b. Summary of Methods

Out of the initial 102 outcomes, the drafting and merging phase resulted in 72 outcomes, pre-selection. From these, 29 outcomes were selected. For an overview of the outcome harvesting process see Annex A and for an overview of selected outcomes, see Annex B.

Methods used to verify outcomes and to do the overarching analysis include: document analysis (NGO reports, reports of other certifiers, Fairtrade policies and studies, government documents and others), 19 Zoom interviews with "international" stakeholders (Fairtrade international staff and experts), 86 individual or group interviews either conducted online or in person with national stakeholder by local teams in Ethiopia, Colombia and the Dominican Republic (51 in Colombia, 18 in the Dominican Republic, 17 in Ethiopia), 5 workshops in Colombia<sup>30</sup>, 1 survey sent out on grievance mechanisms in Colombia, the Dominican Republic and South Africa (with 50 responses),<sup>31</sup> 1 online verification workshops for each country (3 in total), and 1 online international verification workshop.

For a full description of methods please see Annex A. For a description of the members of our local Teams in Colombia, the Dominican Republic and Ethiopia please see Annex C.

### c. Limitations

Limitations related to the scope of the study and the method of Outcome Harvesting:

- In cooperation with Fairtrade International, the scope of the study was set to involve 5 key human rights domains and three focus countries, which was necessary to make the study feasible given the available budget and timeframe. The conclusions of the study were carefully analyzed to differentiate between contextual and more general conclusions, but these choices limited the generalizability of findings to 1) specific sets of human rights (for example, the right to privacy or freedom of expression will not be assessed) 2) specific sets of actors (for example, the dynamics faced by hired workers and farmers in other product supply chains or other countries).
- More generally, the scope of the study is limited by the number of outcomes that were verified within the budget and timeframe of the study both for the local research teams and the Lead Team. However, the allocation of our scarce resources has been coordinated with Fairtrade through feedback on the selection of outcomes.
- Outcomes were only captured and described if they had already been documented or were known by the key informants. In our process, we have extensively asked for feedback on the set of outcomes (to identify whether we missed something) and the aim of this study does justify a focus on the most salient issues. Nevertheless, the

<sup>30</sup> Using the by ECCO designed methodologies: "Banana plantation ecosystems mapping", "Workshop "The narrative of my plantation" and focus groups in the coffee sector'

<sup>31</sup> Chapter on Grievance Mechanisms will follow later



method of outcome harvesting has a bias to outcomes that are easy to identify and away from those that are less detectable or more peripheral. This bias may be most present in a bias towards outcomes related to the production stage as opposed to, for example, traders.

- Finally, even though the Team asked for repeated feedback on the selection of outcomes and their formulation to determine what exactly needed to be included in the field studies, Fairtrade teams appeared to be overburdened and only provided feedback during the 2 workshops that were organized to discuss the outcomes. In the subsequent requests for more feedback, the Team did not receive any replies.
- There were limitations related to the vulnerable position of some of the prospective respondents and the sensitive nature of human rights impacts especially when related to large power imbalances. Because this research falls under the Fairtrade Ethics Policy and Children and Vulnerable Adults Protection policy, any data that would fall under the Protection policy could not be used. However, we did not encounter such data and were able to use all collected information for analysis. Nevertheless the 'ensure no harm' principle and other aspects of the ethical principles described below may lead to a bias away from the most serious forms of Child and Forced Labor, Gender Based Violence, and other human rights abuses. Some norms that disadvantage vulnerable groups may be internalized to the extent that participants in the study fail to identify or under-identify adverse human rights effects. For example, women and girls (but also men) may have internalized sexist stereotypes and these may be conveyed through the views they express in interviews, focus groups or other ways in which information is shared. This may lead to an underestimation of the (extent) of impacts on human rights.
- Finally, some limitations are related to the ongoing global covid-19 pandemic. The local teams, on which the lead team relies, complied with all relevant local covid-19 measures as mandated by authorities during their data collection. Depending on local developments in Colombia, Dominican Republic and Ethiopia, data collection was delayed and adapted in order to comply. Also, the inability of the lead team to travel to the countries in which the research was carried out precluded any first-hand experience of the situation in key locations and caused all contact to be remote. Although the lead team has done their utmost to optimize the data collection by the local teams, a lack of direct, in vivo contact with participants and research locations played a role in the analysis.

Having built so strongly on the experience of local teams, however, allowed for a fruitful process of co-creation, in which the lead team was able to combine their expertise with expertise of the local teams.

## 4. Main findings human rights impacts and role of interventions

This chapter describes the findings on human rights impacts on rights holders in the Fairtrade coffee and banana supply chains in Colombia, Ethiopia and the Dominican Republic. This chapter is based on data collected by ECCO (led by Claudia González, Colombia), OBMICA (led by Bridget Wooding, Dominican Republic) and Dr. Setargew Kenaw and his team (Ethiopia). For details on the members of these teams and their backgrounds see Annex C.

### A. Coffee

Globally, 70-80% of the world's coffee is produced by 25 million smallholders, which is one of the reasons that Fairtrade focuses its efforts on small producer organizations (SPOs). By supporting smallholder farmers to organize themselves in SPOs, such as cooperatives and associations, farmers can work together more, negotiate better terms of trade, and reach wider markets. A key intervention aimed at SPOs is the Fairtrade Minimum Price which seeks to address negative impacts of the highly volatile global coffee price by protecting farmers when prices drop. The Fairtrade Premium, paid by buyers on top of the minimum- or market price (whichever is higher), is another key intervention as it provides an extra source of income, distributed by coffee unions to cooperatives and are subsequently invested in business or community projects. To which goals the Premium is spent is decided by the members of small producer organizations, although a



pre-set portion of 25% the Fairtrade Premium for coffee must be invested into interventions that aim at improving production or quality of coffee.<sup>32</sup>

## 1. Coffee Colombia

### i. Human rights impacts

#### Living Income and threats to income

The Fairtrade Minimum Price and Premium have had notable impacts towards living income and better livelihoods of Colombian Fairtrade-certified producers. The Fairtrade Minimum Price protects against very low levels of income when the coffee price drops, and the Fairtrade Premium has a big impact because it is invested in production and to improve livelihoods. Overall, however, a living income for Fairtrade coffee producers is not always attained, as found by the local team.<sup>33</sup>

International coffee prices fluctuations were identified as the greatest threat to income. When coffee prices are low, Fairtrade certified producers are better off than traditional coffee producers as the Fairtrade Minimum Price acts as a cushion that safeguards some income for coffee farmers.<sup>34</sup> Nevertheless, a director of a coffee association explained that when prices are low, the Fairtrade Minimum Price for Fairtrade organic coffee (including Premium) is 1.90<sup>35</sup>, which is not enough to be profitable at his producer organization. In the first quarter of 2022, to be profitable, the price would need to be 2.20<sup>36</sup>. As a result, when prices are low, the Fairtrade Minimum Price contributes towards a living income, but falls short of achieving enough income to earn enough for an adequate or decent standard of living.

When prices are high (as they are at the time of writing this report), producers' incomes increase but, right now, inflation causes both production expenses (fertilizers and materials) and living expenses (food and other everyday products) to increase, negating much of that benefit. Additionally, it becomes more difficult for cooperatives to sell Fairtrade coffee, because buyers are less willing to pay the Premium on top of already high prices. This potentially diminishes the volume of produce that is sold, and thereby the Premium-income of cooperatives. Thus, the high prices are problematic, as the Premium is a key intervention for improving the livelihoods of producers.

Based on the collected data, Fairtrade Premium was predominantly invested in improving the quality of the coffee (rather than increasing volume).<sup>37</sup> An improvement of quality is more achievable and profitable for small producers than an increase in production. Also, better-quality coffee can be sold at a higher price. Quality increase was achieved by investing Premiums to build coffee processing plants on or near the farms of producers, installing water treatment tanks to prevent water contamination, and silos to dry the coffee when there is rain<sup>38</sup>. Because of the Premium, the coffee can be dried and processed before transporting it to the cooperatives. One respondent explained how “now we have the

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<sup>32</sup> See <https://www.fairtrade.net/product/coffee>

<sup>33</sup> It is important to note that Fairtrade's Living Income work has a limited scope and that while we conclude that the Fairtrade Minimum Price and Premium have an impact on human rights, these interventions were intended to form a safety net and empower producers, not to achieve a living income. Note also that during the research periode, Fairtrade lauched a living income reference price for Colombian Coffee (see <https://www.fairtrade.org.uk/media-centre/news/fairtrade-launches-its-first-living-income-reference-prices-for-colombian-coffee/>). Our local research team was not able to trace or attribute any impacts of this new intervention.

<sup>34</sup> Interview EC1

<sup>35</sup> 1.40 plus 0.20 plus 0.30 for the Fairtrade and Fairtrade Organic Premium. Fairtrade works with global coffee prices, based on average (global) costs of sustainable production collected during the price review.

<sup>36</sup> 1.90 plus 0.20 plus 0.30 for the Fairtrade and Fairtrade Organic Premium. Please note that given our qualitative interpretation of living income, no benchmark-related calculations were made. Instead, the conclusion on living income is made on the basis of ability of farmers and workers to achieve an income for an adequate and decent standard of living.

<sup>37</sup> Interview EC 10 & EC 1

<sup>38</sup> This is especially relevant as climate change leads to longer rain seasons (or generally more rain) threatening loss of harvest if the coffee cannot be dried.

patio to dry the coffee. Before, we had to bring wet coffee to Santa Marta to let it dry there. And I had to pay more for the transport [because wet coffee is heavier]. I receive more money when selling dry coffee.<sup>39</sup>

*“We always invest here [in the farm]. This [coffee processing plant], we didn’t have 3 years ago. (...) We constructed the cement floor [to dry the coffee] with the Premium.”<sup>40</sup>*

In addition, the Premium was used to set up coffee collection centers and laboratories, which also contributes to coffee quality. One coffee producer explained that “the collection center gives us the security that the coffee we bring, (...) is taken to the delivery point.”<sup>41</sup> In the laboratories, the coffee is checked for quality and scored. High scores enable producers and associations to sell the coffee for a higher price.

The Fairtrade Premium was also used to diversify the sources of income of coffee producers through projects operated at the level of coffee associations. “It is an economic contribution [to the producers] to start any project in the short term, in addition to coffee. The [coffee] harvest is only once a year, so producers also want to, for example, plant tomatoes, or have chickens. We take a percentage, we are talking about 1.5 million pesos, which we give to the producer so that they can start their project.”<sup>42</sup> Also “some associations now have bees, they produce honey and they also started cocoa.”<sup>43</sup>

A second threat to yields that was often identified by respondents was climate change<sup>44</sup> because, for example, “coffee needs the summer (...) and when there is a lot of rain, the crop is lost”.<sup>45</sup> Fairtrade has limited influence over climate change<sup>46</sup> but adapted the Fairtrade Coffee Standard to include investments into the environment. As mentioned before, investments in silos are instrumental in making coffee harvest more secure in face of a changing climate.

#### Working conditions & Health and Safety

The Fairtrade SPO Standard has several provisions on health and safety and in Colombia, Producer Network CLAC, sees itself as first and foremost responsible for training producers and associations to aid compliance to this Standard. Coffee producers received training on health and safety in the workplace, however, it was not possible for the local research team to trace back which training(s) exactly had been made available to Fairtrade certified producers by Fairtrade via CLAC. Because the coffee associations and other certifiers also provide training, it is not possible to attribute changes in the area of health and safety to Fairtrade interventions. In general, however, the local research team found that producers have become more aware on how to use (dangerous) machinery, how to avoid risks and accidents and that they need safety advice on their farms. At a non-organic farm, one respondent indicated that certification is related to using less chemicals and improved health and safety.<sup>47</sup> The problem of not being able to attribute these changes in working conditions in the coffee SPO sector to specific Fairtrade interventions not too problematic: it is a central goal of Fairtrade and CLAC to empower coffee association to organize their own improvements (on health and safety but also on other domains).

At the time of writing, the scope of the Fairtrade standards with regards to (hired labor) employment conditions and health and safety is limited to coffee farmers that hire a “significant number of workers”, i.e. at least 10 workers for at least one month.<sup>48</sup> Small producers in Colombia often do not reach this threshold. Some employees mentioned that other certifications, such as Rainforest Alliance, have stricter criteria on health and safety and therefore have a larger

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<sup>39</sup> Interview EC 14

<sup>40</sup> Interview EC 13

<sup>41</sup> Interview EC 8

<sup>42</sup> Interview EC10

<sup>43</sup> Interview EC 14

<sup>44</sup> Climate change was not a focus point for this study and not central to any of the outcomes chosen for verification. We do include it when it comes up, which is the case here.

<sup>45</sup> Interview EC 11.

<sup>46</sup> See this systematic review, hotspot analysis and survey study on Fairtrade and climate change, for an overview of the various threats related to climate change: <https://www.fairtrade.net/library/fairtrade-and-climate-change-systematic-review-hotspot-analysis-and-survey>

<sup>47</sup> Interview EC 18

<sup>48</sup> As part of review of Standards, Fairtrade is currently working on revision of the definition and scope of “significant number of workers”.

impact in this area than Fairtrade. For example, Rainforest Alliance has criteria that also apply to smaller farms (with less than 5 hired workers).<sup>49</sup>

The working conditions of hired workers<sup>50</sup> contracted by small coffee producers during the harvest season are barely impacted by Fairtrade interventions. Also here, the limitation of applicability of certain criteria on workers' rights in the SPO standard to larger farms restricts the reach of Fairtrade. In addition, respondents indicated that hired workers generally do not participate in capacity building activities of Fairtrade. The local research team found that hired workers (who are predominantly male) do not tend to receive written contracts.<sup>51</sup> Instead, agreements about the work and payment are made verbally, which reduces the employee's position of power in case of disagreement about work or pay. Usually, seasonal workers receive accommodation and food (at a cost) at the farm, but they do not receive benefits (such as insurance or pension). A segment of the casual hired labor at coffee plantations consists of migrants from Venezuela, who might be particularly vulnerable from a human rights perspective.

From the perspective of female producers, however, there are concerns about safety when they hire external people that they do not know. This has led to many farms always hiring the same workers from specific areas of Colombia and WhatsApp groups and other community networks to inform others. One farmer shared that "Personally, I look for people I already know, because it makes me feel more confident. It is not discrimination, but because I have two daughters, I have to keep my home, my daughters and myself safe."<sup>52</sup>

The Fairtrade Premium has an impact on the right to health. The Premium is used to pay for medical costs and medical exams and to fund health campaigns. An employee of a coffee association explained: "Last year we did a health day with cytology for women [an exam to detect cervical cancer and other diseases] and brought specialists from the city. We also did an oral cleaning campaign for children and adults [...] During the pandemic we used some of the Fairtrade Premium to help the health centers, we delivered materials such as masks."<sup>53</sup> Moreover, switching to organic coffee farming may be connected to the right to health, as one respondent in the study testified that an older person on the farm had lung problems that diminished after changing to organic farming.

### Child labor

Fairtrade's SPO standard has had a notable impact on the awareness of the prohibition on child labor, but two other interventions included in the study, namely advocacy towards improved national policy on child labor and a diagnostic assessment instrument could not be linked to impacts in the human rights domain of child labor.

Smallholder producers report that they do not hire minors, even though children between 15 and 18 are allowed to work with a special permit. Fairtrade does not have a lot of influence on the child work done by producers' children and grandchildren. Culturally this work is not seen as child labor but as a contribution to family farming. Respondents indicate how children are involved in picking coffee, sorting and drying coffee, during vacations and after school, and only during harvesting season. When grown up, some parents give a plot of land to their teenage children so they can work it themselves and generate their own income. Child work in the family context is related to central cultural values such as family unity and tradition and allowing children to learn about responsibility and discipline. Also, it gives continuity to knowledge and tradition. There is also the economic factor of not having to hire workers, allowing all the income to stay in the household, which aids the livelihoods of the family including education for the children (studying at university, buying a computer, books, and other items they can develop themselves with).<sup>54</sup>

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<sup>49</sup> Rainforest Alliance Sustainable Agriculture Standard, Farm Requirements (2020) retrieved from <https://www.rainforest-alliance.org/wp-content/uploads/2022/01/2020-RA-Sustainable-Agriculture-Standard-Farm-Requirements.pdf> 5.6 Health and Safety. Fairtrade also has provisions on PPE (for example, Fairtrade SPO standard 3.2.5 and 3.2.6) but

<sup>50</sup> The local research team has not been able to interview hired workers themselves, so all information below is based on information from producers.

<sup>51</sup> Under the Colombian Labor code, verbal employment contracts are permitted.

<sup>52</sup> Interview EC 8

<sup>53</sup> Interview EC 10.

<sup>54</sup> Several respondents in interviews with the local research team.

*“the opportunity to work and be rooted to the land, to have their own business and their own income (...) to value everything their parents do for them [is important].”<sup>55</sup>*

In the rural context, where people tend to marry at a young age, teenagers have a need to start generating an income to have a family income. Poverty, the lack of other sources of income besides coffee, poor accessibility and 2-3 kilometer distances to the nearest school, medical facilities, and markets all contribute to a context in which children of farmers work.

Respondents emphasize the difference between farmer’s children working on the farm and hiring children as workers, showing awareness that the latter is prohibited. “The family does all the work on the farm, so minors who belong to the family do coffee work, but no minors are hired to come from outside looking to be hired”<sup>56</sup> “Sometimes when they talk about child labor, I don't know to what extent they are saying it. Because right now you can see my granddaughter stirring coffee. But she does it by herself, it's not forced. I don't even call her to do it, she says by herself: I'm going to stir the coffee”<sup>57</sup> All is consistent with Fairtrade’s standards and approach to child labor but also relates to a remaining risk of child labor, that is, children working under hazardous circumstances and/or in ways that limit their development.

In 2018, CLAC contributed to a policy change that allows children aged 15-18 to work under certain circumstances while prohibiting them from doing specifically defined types of work that are deemed dangerous and harmful. An important aim of this effort was to clearly define what would constitute prohibited work for children while opening space to allow children to work in non-harmful ways. Before this, all agricultural work by persons under 18 years old was prohibited. By adopting Resolution 1896, it became possible to hire minors for certain types of work when a permit was obtained. CLAC and Fairtrade contributed significantly to this policy change by submitting to the Ministry of Labor a study developed with over 49 organizations. However, none of the 8 people interviewed<sup>58</sup> knew about the possibility of counting with a work permit for minors between 15 and 18 years of age to work under legal parameters, showing no awareness of the policy change. They stated, “It is not required to have a work permit for minors” Therefore, it has to be concluded that the policy change towards a more realistic definition of child labor in Colombian law has not made an impact on the reality of children working at Colombian small-holder coffee farms. While within the family context, children younger than 18 help on the farm, this is not related to Fairtrade’s advocacy for legislation. The local research team concludes that this particular lack of impact is due to lack of formality in coffee labor and rural family dynamics.

In 2017 Fairtrade/CLAC participated in a collaborative project aimed at addressing Child Labor which was initiated with different stakeholders during the workshop “Exploration days for multisectoral collaboration for child welfare in the family agricultural sector in Colombia”<sup>59</sup>. The objective of this space was to connect with each other and discover possible routes for future joint interventions regarding child labor. In 2018 the diagnostic assessment on child labor was developed in alliance with Save the Children in the Department of Cauca, where also the Colombian Institute of Family Welfare - ICBF (Instituto Colombiano de Bienestar Familiar) gave methodological recommendations for the process. After the assessment there was a meeting between stakeholders to present the gathered information by CLAC, which was meant to be used for public advocacy. However, no further actions were taken. Coffee producers and associations consulted for this study don’t have much knowledge about the diagnostic assessment. Among the organizations in this study, only one adopted actions based on the diagnosis of child labor. These actions included updating the affiliation forms that coffee producers fill in to be part of the cooperative to include information about the child labor situation; develop and share brochures where they inform about the prohibition of child labor; training of agricultural engineers, who constantly visit the farms, so that they can also act as internal inspectors on different issues, including child labor, in order to verify the application of the different criteria that exist in this regard. It was not possible to assess and attribute

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<sup>55</sup> Anonymous respondent to local research team.

<sup>56</sup> Interviews EC10, EC11, EC14, EC22.

<sup>57</sup> Anonymous respondent to local research team.

<sup>58</sup> Interviews EC7, EC11, EC12, EC13, EC14, EC15, EC16, EC22.

<sup>59</sup> In Spanish “Jornadas de exploración e colaboración multisectorial para el bienestar infantil en el sector agrícola familiar en Colombia”

the real impact on the human rights of minors but the fact that uptake of the diagnostic assessment was limited indicates that this impact may be very small.

### Gender equality and women's rights

In recent years, there has been a change in the role of women coffee growers in the Colombian Coffee SPO context, but it is difficult to trace this change back to Fairtrade interventions because most changes seem to be related to the activities and efforts of coffee associations and there is no clear overview of the interventions that were implemented in the coffee SPO context<sup>60</sup>. Changes described below could be rather due to coffee cooperatives programs and broader social and cultural changes. Coffee associations are developing gender policies and many cooperatives have created a program to promote women's coffee. This includes having its own line of coffee produced by women and paying a premium to women producers. However, these programs are often not economically supported by any seal or certification. In addition, cooperatives have other certifications, like Mayacer, with more input and effort in women's rights.<sup>61</sup>

Currently, women are coffee producers and some of them exercise leadership roles in committees and boards of directors in coffee cooperatives. Women are also in some cases leading coffee cooperatives, where around 50% of their staff are women. Similarly, greater awareness has been acquired regarding the role of women on the farms, allowing for an understanding of their care work on the farms as part of the production value chain. Nevertheless, women continue to fulfil traditional roles in the coffee production process and their families and the increase in leadership positions has had a limited impact on strengthening women's rights. From interviews with workers from coffee cooperatives it was acknowledged that empowering processes and the support of organizations like CLAC, among others, have resulted in small scale women-led alternative economic activities for the generation of their own economic resources. Through women's committees in the coffee cooperatives, women have started for example producing and selling handicrafts and sweets. This contributes to their economic empowerment. In interviews it was mentioned that women feel more empowered and confident to speak up and contribute to discussions in the coffee cooperatives.

However, this somewhat more empowered role remains in a context of very traditional role division on coffee farms. Women feel their work is not recognized and they have a bigger burden in their job: "Women are the first to wake up and the last to go to bed in the farm" one of them said. They also feel inhibited from participating in activities. "While they can go out with friends and have several beers, we have to drink only one very fast and go home," one woman shared. During data collection, women proved hesitant in sharing their own opinion regarding their role in the farm. This happens even more whenever their husbands are around. For example, during the workshop, one woman asked her husband "What is the living wage for me?", indicating that instead of knowing about her own rights, she asked her husband.

In one of the cooperatives visited around 50% of staff are women, and in some cooperatives, there are more women than men. Two of the five cooperatives included in this study were led by women. The majority of the coffee producers affiliated to the cooperatives are men, but this differs per cooperative. The three cooperatives visited in Magdalena had 42%, 25% and 18% women producers affiliated with the cooperative.

Fairtrade Premium is currently not being invested in the construction of daycare centers.<sup>62</sup> There are higher priority primary needs to be addressed, for example, related to human dignity and earning a living wage. Coffee farms are far from each other, so it may not be feasible to build a common childcare center that can be used by many families.

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<sup>60</sup> Our Outcome Harvesting approach, in close collaboration with Fairtrade, led to selecting an outcome for verification that centered on the Women School of Leadership, indicating that there was an expectation of change in impact on human rights. However, we found that the interventions mentioned in the selected outcome such as the Women School of Leadership was not implemented in the Coffee sector in Colombia. This discrepancy is unfortunate: despite having checked the outcome with Fairtrade and CLAC staff multiple times, we failed to identify that the Women's School of Leadership was not relevant in this context. The research therefore pivoted to looking at Fairtrade/CLAC interventions more generally but ran into the related problem that it seemed difficult to get clarity in what interventions had been implemented in which context.

<sup>61</sup> Mayacer is a certifier of many seals. One of them is called "Manos de mujer" which means "Women hands".

<sup>62</sup> This element was a focus of the study because of the inclusion of outcome 89 into the study [see Annex B]

### General Human Rights Awareness

General awareness of Human Rights has increased as a result of activities and training programs by coffee associations, through efforts that may or may not have been supported by Fairtrade/CLAC. The local research team was not able to determine which human rights activities or capacity building CLAC had implemented in the relevant coffee SPO contexts. As stated before, Fairtrade's work is aimed at improving the capacity of coffee associations on having an impact independently of Fairtrade, which means that positive impacts may in fact be connected to Fairtrade in some way.<sup>63</sup> However, developments and trends in the wider culture and community and activities by other NGOs/certifications may also play a role.

The data collected shows that coffee producers and employees of coffee associations have a basic understanding of human rights and what rights they have. There is a high awareness of environmental rights. When asked what human rights are to them, the answers of coffee producers and employees of coffee associations revolved around themes of freedom, respect, equality, and wellbeing. Below are several descriptions of human rights of the participants of the study:

*“A human right is the minimum that a person needs to live satisfactory”*

*“I understand that as a human being, I have the right to be respected and to respect others”*

*“They are the rights that ensure we are all equal”*

The awareness of human rights does not necessarily result in a higher enjoyment of these rights. Moreover, the results of the workshop on human rights show that there is a large variation in the perception of the enjoyment of different rights.

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*In sum, Fairtrade Minimum Price and Premium as well as the SPO standard provide a notable and important contribution towards a Living Income for Colombian Fairtrade certified coffee farmers. More broadly, these interventions contribute to an improved standard of living. However, a living income is not always achieved. Price fluctuations and climate change are seen as the main threats to living income and can only partially be addressed by Fairtrade interventions, mostly because both causes are outside of the scope of Fairtrade's possible impact. Fairtrade Premium has an important function in increasing standard of life, reaching also human rights such as the right to health. Fairtrade has impact on working conditions of certified coffee farmers, through its standards and trainings, but seems to have little impact on the working conditions of hired labor on smallholder farms because the standards often do not apply. In the domain of child labor, the standards seem to have had an impact and farmers know that child labor is not allowed. Further interventions aimed at more clearly defining categories of hazardous work in law and a tool for diagnosing child labor have not had clear impacts, in part because of the cultural and economic roots of child work, which still holds a risk of spreading into child labor. Women's participation has increased but Fairtrade interventions prove unable to impact deep-rooted cultural gender roles. An improvement in human rights awareness was detected but this impact and some other positive impacts are difficult to trace directly back to Fairtrade interventions because*

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<sup>63</sup> The agreed upon methodology and budget restrictions for local teams did not allow for a systematic comparison between FT-certified and non-FT-certified coffee producers.



*many positive human rights impacts seem to stem from efforts at the association and cooperation level.*

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## *ii. Beyond the scope*

While positive impacts of Fairtrade interventions are notable, Fairtrade's human rights impact beyond human rights directly related to poverty reduction and living standards improvement is limited. Limits are caused by price fluctuations and market demands for the lowest possible prices, **showing that the power balance between producers and buyers is still quite uneven**. It was mentioned by some organizations that they have not been able to sell Fairtrade to potential buyers in the last months or year, as opposed to earlier when prices were lower. This means that they do not receive the Fairtrade Premium and therefore limits the impact that can be generated with the premium.

Fairtrade's impact on gender equality and, to a lesser extent, child labor is limited by socio-cultural factors and developments in the wider society and economical system. However, it seems that there have also been **difficulties in maximizing achievements that have already been made, perhaps because of a lack of resources**. The impact of the diagnostic assessment for child labor could be increased by incorporating cooperatives and associations to a greater extent in the construction of studies and carrying out better dissemination of information. There might also be gaps in communication between cooperatives and their members. Furthermore, it is important to continue awareness raising activities from the understanding of the producers in rural areas, who do not necessarily. Fairtrade already does a lot of work on the question what is (permitted) Child Work and what is (prohibited) Child Labour<sup>64</sup> but creating full clarity and agreement on this issue may be beyond Fairtrade's reach, because of the reality of coffee farms, family dynamics, socio-economic factors, and rural living conditions.

**The position of hired workers is difficult for Fairtrade to reach**, because the SPO standard does not reach the many small farms where seasonal labor is hired.<sup>65</sup> Therefore, Fairtrade has only limited impact on power relations at smallholder farms. Changes to the standards or additional programs could contribute to increased visibility of the working conditions of hired workers. However, there is a structural difficulty with reaching seasonal hired workers because they are only present at the farms at the busiest time of the year, which leaves practically no time for any other activities than the harvest. This makes that Fairtrade's ability to affect the human rights situation of hired workers in the SPO context may be beyond the scope of what is practically possible.

Related to living income, Fairtrade interventions could include setting up partnerships to collectively buy materials and fertilizers for coffee producers, uniting different associations to negotiate better prices and thereby reducing costs.

The enjoyment of **women's human rights could be accompanied by programs contributing to a change in the perception of gender roles**.<sup>66</sup> It is important that the care work of women is recognized, and to ensure that the possibility of generating income through other activities such as knitting backpacks, making clothes, producing sweets, among others, does not create an extra burden on women coffee producers.

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<sup>64</sup> See, for example, <https://www.fairtrade.net/issue/child-labour#:~:text=Fairtrade%20prohibits%20child%20labour%20as,be%20employed%20by%20Fairtrade%20organizations>. By Colombian law, child labor is also prohibited and child work can be carried out with permission from the age of 15.

<sup>65</sup> In the current SPO standard review, the scope of many requirements related to working conditions will be expanded, see <https://www.fairtrade.net/standard/definition-and-scope-of-significant-number-of-workers>

<sup>66</sup> Fairtrade International staff indicates that

## 2. Coffee Ethiopia

### *i. Human rights impacts*

#### Living income and living wage

Fairtrade Minimum Price and Premium have had clear impacts on income and farmers earning towards a decent standard of living. Fairtrade certified smallholder coffee farmers are now earning a better income because of the benefits of the Minimum Price and because Fairtrade Premium investments have led to improved quality of coffee and increased volumes, which in turn contributes to a better income from coffee. “Increase in volume has resulted in income growth, improved quality has made the product more competitive in the export market and enabled farmers to earn better price, while better market access has helped SPOs to sell their product at a fair price”, according to a representative of the Sidama Union. Farmers reported that the Fairtrade Minimum Price has given smallholder farmers the confidence to continue producing coffee and there are indications that farmlands previously used for growing other crops are now used for planting coffee<sup>67</sup>. The field study indicated that in specific cases, the Premium is used to address serious financial problems by cooperative members.<sup>68</sup> In addition, the local research team concluded that the collaboration and focus on working together towards a goal has a positive impact on the lives of Ethiopian coffee farmers, also in areas that have been plagued by unrest such as Oromia. “We need also the culture itself: working in a team, working in a cooperative spirit”, one researcher shared.

Moving towards a living income has a clear effect on improvement in various human rights areas, such as the right to an adequate standard of living, the right to health and the right to education. In the Jimma region of Oromia, farmers reported they have better housing (e.g., with iron roofing) and better appliances.<sup>69</sup> A respondent from Shoye village in Sidama reported that Fairtrade's Minimum Price and Premium allowed more farmers to send their children to school, impacting the right to education. Moreover, Premiums have been used by coffee cooperatives to build school blocks, health posts, access roads and electricity infrastructure in Sidama and for school blocks, a library, a kindergarten, health posts, and potable water facilities in Jimma (Oromia).<sup>70</sup> Also training provided to smallholders contributed to improvements because they contributed to improved coffee varieties, better coffee cultivation and better processing technologies.<sup>71</sup>

Nevertheless, living income is not a reality for Ethiopian smallholder Fairtrade certified coffee farmers. Their income does not keep up with the sky-rocketing costs of living due to inflation since 2021.<sup>72</sup> This means that in the domain of Living Income, Fairtrade's interventions do mitigate but cannot fully address the issues.<sup>73</sup> Given that living income is a precondition for the enjoyment of various other human rights, this is increasingly a relevant limit of Fairtrade's interventions.

Fairtrade's impact on living income and the limits of that impact are echoed for (seasonally) hired laborers<sup>74</sup> who are contracted by smallholder farmers during harvesting season. On the one hand, respondents reported that the improved

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<sup>67</sup> Respondents to local research team in Shoye Sidama and Jimma, Oromia.

<sup>68</sup> This was the case for Wotona Bultuma cooperative in 2021.

<sup>69</sup> Respondent to local research team in Harro, Jimma, Oromia.

<sup>70</sup> Conclusions from local research team.

<sup>71</sup> Conclusions from local research team.

<sup>72</sup> Conclusions from the local research team and Sidama cooperative leader to the research team.

<sup>73</sup> Again, It is important to note that Fairtrade's Living Income work has a limited scope (not covering SPOs). While we conclude that the Fairtrade Minimum Price and Premium have an impact on human rights through impacts towards living wage, these interventions were intended to form a safety net and empower producers, not to achieve a living income. Also note that Ethiopia does currently not have a Fairtrade Living Income Minimum Price.

<sup>74</sup> The local research team has not been able to interview hired workers themselves, so all information below is based on information from producers and cooperatives.



position of smallholder farmers has contributed to better working conditions for hired labor in the coffee SPO sector. Respondents indicated that wages have improved, and that working conditions of hired workers have improved. Fair working hours are better ensured, and workers are better provided with better safety equipment.<sup>75</sup> Although many employees are hired by signing written contracts, also casual laborers are hired for agreed-upon daily rates<sup>76</sup> and these rates are slightly higher than wages paid by public or private sectors.<sup>77</sup>

*“Wages for temporary workers are fair and competitive - higher than what public or private employers pay”<sup>78</sup>*

On the other hand, from the finding that farmers generally do not make a living income, we can infer that hired labor on smallholder farms do not make a living wage. Specifically, women and young people remain vulnerable to exploitation because they have a relatively weak power position in the hired labor context of coffee SPO's in Ethiopia.<sup>79</sup>

### Child Labor

The general difficulty for actors in Ethiopian Coffee SPOs to earn a decent livelihood is related to child labor being a salient human rights risk in this context. Fairtrade's interventions such as the SPO standards, international policy on child labor, and trainings have made a clear impact on the policies and practices of cooperatives, awareness of the illegality of child labor, and knowledge of the distinction between child labor and child work, which all have improved.

According to the local research team, the spirit of fighting against child labor seems to be widely shared. A cooperative leader explained that child labor is a serious obstacle because “it destroys their future”.<sup>80</sup> Respondents specifically mentioned the Child Protection Policy and Producer Internal Control Systems (ICS) as having reduced the risk of child labor on coffee farms. In Sidama, Fairtrade Africa has appointed a social compliance staff member to the Wotona Bultama coffee cooperative, who provides trainings and builds capacity to prevent child labor.<sup>81</sup> The impact of Fairtrade interventions is complemented by the work of coffee cooperatives to address child labor. Auditing is mentioned as a valuable tool, because unannounced, surprise audits force cooperatives to continually monitor child labor at coffee SPOs. The impact was thus “not merely due to “sensitization;” the fact that Fairtrade has also “enforcing tools” must have helped.”<sup>82</sup>

*“I would say the training strategy has played an important role [in addressing child labor] as it enabled to create awareness among workers and members about the standards and policies (...). Fairtrade's ICS has contributed to reducing child labor since the Surprise audit by an external party forces the cooperative to always monitor child labor”<sup>83</sup>*

Fairtrade's efforts do not take place in a vacuum: there is evidence that also (local) government activity has contributed to changed attitudes and practices regarding child labor “but the government intervention has brought greater impact just after it is combined with Fairtrade's intervention which makes things mandatory for the certification.” However, there was also widespread agreement among respondents that this new practice of outlawing child labor has also been spread to other cooperatives that are not Fairtrade certified.

Despite the work towards preventing and ending child labor, the problem persists. A Sidama cooperative leader stated that “there are incidents of child labor among members” and several other respondents in Sidama similarly stated that

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<sup>75</sup> Representative from coffee cooperation in Sidama to the local research team.

<sup>76</sup> Respondent from Shoye, Sidama to local research team.

<sup>77</sup> Conclusion by local research team and confirmed by respondent from Choche Guda, Oromia.

<sup>78</sup> Respondent from Choche Guda, Oromia to local research team.

<sup>79</sup> In Oromia, it is estimated that 55% of hired workers are women and 75% are young, so this is a relevant issue. The local research team was not able to obtain percentages of female or young hired workers in Sidama but respondents from Sidama cooperatives estimated that the proportions would be similar for Sidama.

<sup>80</sup> Leader of a coffee cooperative in Sidama to the local research team.

<sup>81</sup> In the field visits to Oromia and contacts with respondents there, the local research team did not encounter social compliance personnel. Here, cooperatives relied on the certification officer to address the issue of child labor.

<sup>82</sup> Respondent from Jimma, Oromia.

<sup>83</sup> Respondent from Choche Guda, Oromia.

there were incidents of child labor. According to the local research team, child labor was not entirely avoided in the areas where they carried out their research.<sup>84</sup>

### Gender equality and women's rights

At the cooperative, female leadership is very limited. In the Wontona Bultuma (Sidama) and Fura (Sidama) cooperatives, there is one woman on the board each but at the Shoye cooperative (Sidama) there are no women on the board. The Kenteri cooperative (Oromia) has three (out of 13) women on the board. In short, these numbers indicate a very limited representation of women in decision-making roles.

Women's participation in cooperatives, at member level, is also very low. For example, in the Afeta Wanja cooperative in Oromia, 6.5% (namely 85 out of a total of 1300 members) are women, and in Wotona Bultuma in Sidama this percentage is 7.7% (250 out of a total of 3240 members). Women's membership in the Shoye cooperative in Sidama was reported as being 20%, although this was doubted by the local research team's observations. Efforts to increase female membership in cooperatives have included a reduction of the membership fee (200 Birr, instead of the men's 500 Birr rate).<sup>85</sup> The local research team sees a structural limitation as lying at the root of limited female membership: since household land is owned jointly by husband and wife, once the husband has joined the cooperative, the wife will not become a member.

Respondents did indicate that Fairtrade interventions such as training on awareness of gender equality, women's rights and the prevention of gender-based violence yielded some visible impacts, such as increased women's participation in household decisions, better awareness and increased readiness to protect women's rights.<sup>86</sup> However, the field study yielded no evidence of changes in (views on) gender roles or power relations in recent years, which can be ascribed to the deep-rooted socio-cultural values and norms of the Ethiopian patriarchal society.<sup>87</sup>

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*In sum, Fairtrade's impact on improved living income and wages, child labor and the working conditions of hired workers in SPO contexts is notable. The Fairtrade Premium came forward as the most important intervention for Fairtrade's impact on human rights, although trainings and awareness also contributed. Clearly, interventions are interrelated. The SPO standard, for example, was seen as important because meeting its core parts is a prerequisite for Fairtrade certification and this certification brings the premium. Sometimes, particularly on the issue of Child Labor, it is difficult to distinguish between the impact of Fairtrade interventions (SPO Standards, Child Protection Policy, ICS, social compliance staff) and cooperative and union contributions (policy changes at SPO level, contact with unions).*

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### ii. Beyond the scope

While positive impacts of Fairtrade interventions are notable, Fairtrade's impact on power relations is limited by social-cultural factors, price developments of, on the one hand, coffee and, on the other hand, the cost of living, lacking legal minimum wage and the seasonal nature of coffee harvesting. All these elements cause structural challenges to creating positive human rights impacts in the production of Fairtrade coffee.

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<sup>84</sup> This child labour identification triggered the FI Protection Policy and was reported using procedures provided for safe follow-up and response.

<sup>85</sup> Respondent at the Sidama coffee union.

<sup>86</sup> Various respondents from Ferro (Sidama) and Kenteri and Harro, Oromia.

<sup>87</sup> Analysis by the local research team, who also explained that most men do not allow their women to be part of broader social life. Women go to church, weddings, funerals but not other social activities.

Achieving a living income tends to remain beyond the scope of Fairtrade's Intervention because in spite of the big impact of the Fairtrade Minimum Price and Premium **income from coffee farming for many does not cover the costs of sustainable production and the (rising) costs of living**. Respondents complained that the current (2022) price of coffee is not adequate to earn a decent living, which is the result of structural coffee-price and inflation related global market developments that cannot be addressed by Fairtrade Interventions.

**Deeply rooted socio-cultural factors limit gender equality and the realization of women's rights because entrenched ideas about gender roles** are very difficult to affect or change. The evidence indicates that fundamental change in this area is currently beyond the scope of Fairtrade interventions in the Ethiopian coffee sector. Although efforts are made to improve female participation in cooperatives and Ethiopian law provides for joint land ownership for both spouses, women are culturally confined to the homestead, where the responsibility of the household is on women. The man deals with cooperative matters. In addition to the cultural aspect, there is no additional benefit for the woman to also register with the cooperative, which is something that could be addressed in policy and regulations at cooperative level in order to increase female participation, for women that desire so.

**In the area of child labor, socio-cultural** factors seem to also play a limiting role when it comes to Fairtrade interventions<sup>88</sup>. In addition, economic factors (mostly a lack of achieving a living income) also mean that Fairtrade alone cannot end child labor. When it is difficult for farmers to achieve a living income, the risk of child labor increases even when interventions have notable effects. Whereas child work, within the context of the family and excluding hazardous or harmful conditions, is permissible, the hiring of children as (seasonal) workers under development-limiting conditions remains a serious risk in the coffee SPO context in Ethiopia. The local research team also indicates that while Fairtrade advocacy on the topic of child labor is important, it is also very difficult, again because of cultural and social constraints that make that improvement will at best only happen very slowly.

**The structurally precarious situation of casual seasonal hired workers** (especially women, migrants and youth) involves a risk of labor exploitation, as these workers lack formal employment status and accompanying rights. The lack of a legal minimum wage in Ethiopia also limits the enjoyment of human rights by hired workers involved in the coffee production at SPOs. Moreover, the Fairtrade SPO Standard has a positive impact, although the local teams found that parts of the SPO standards only applying to larger farms limited impact on human rights at smaller farms.

Fairtrade could potentially improve its approach or interventions by further focusing on gender policies at cooperative level<sup>89</sup>, revision of the Cooperative Law, and interventions that focus on transforming transitional gender roles.<sup>90</sup> Also, Fairtrade could expand advocacy for mandatory minimum wage and other worker protections in the coffee sector (for example by partnering with organizations such as the Ethiopian Labour Rights Watch or the Confederation of Ethiopian Trade Unions). On issues of gender and child labor, currently, Fairtrade is mostly working at a grassroots level, and this will probably not bring the necessary change, according to the local researchers. From the research, it follows that Fairtrade is currently not highly popularized in Ethiopia, so media and the increasing role of social media, issues can be shared not only at grassroots level but also at a higher level, in cooperation with other relevant organizations, in order to create more impact on relevant human rights issues. Finally, Fairtrade can consider implementing programmes to "internationalize" the experience of coffee farmers by creating networks to exchange information.

## C. Bananas

Bananas are grown in more than 150 countries, and 105 million tonnes of fruit are produced each year. Bananas are one of the most consumed and cheapest fruits worldwide: they are the most traded fruit and the fifth most traded

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<sup>88</sup> The local research team described this as 'a widespread culture of work' that to some extent is also related to the large youth cohort in the Ethiopian population.

<sup>89</sup> Gender policies are already an SPO requirement per the SPO standards, but the research shows room for improvement, still.

<sup>90</sup> In 2022, Fairtrade started the Climate Academy, with a strong gender focus. See <https://fairtradeafrica.net/climate-academy/> and <https://www.fairtrade.net/about/projects/fairtrade-projects-across-the-world>.

agricultural product. The global export value of the banana trade was estimated to be US \$8 billion in 2016, with a retail value between \$20 and 25 billion.<sup>91</sup> In Colombia and the Dominican Republic, bananas are mostly produced on plantations, with small-holder banana farms being the exception.<sup>92</sup> The banana industry is labor-intensive and demanding, it requires significant infrastructure to harvest and transport quick-ripening fruits and, as for other crops, climate change is an increasing risk to yields. The influence of multinationals and retailers create a substantial price pressure on producers, putting banana producers in a bind.

The human rights context in Colombia's banana sector is mostly characterized by unbalanced power relations, bad working conditions (such as health and safety concerns), gender-based violence and discrimination against women. As 80% of workers in the banana sector in the DR are migrants (from Haiti)<sup>93</sup>, the Team considers discrimination against them as the most salient human rights issue there.

In terms of interventions, Fairtrade offers a Fairtrade Minimum Price that acts as a crucial safety net for producers and a way to build their resilience amid market fluctuations. Fairtrade reviews this price regularly, in consultation with producers and traders. The Standards are designed to improve employment conditions and protect the rights of workers in the large plantations where the majority of export bananas are grown. In addition, the Fairtrade Base Wage, which came into effect on 1 July 2021, is a significant step towards a living wage for thousands of banana plantation workers worldwide, with plantations also required to negotiate a plan to progress to a full living wage.<sup>94</sup> In addition to these core Fairtrade interventions, CLAC also implements trainings, awareness raising campaigns, workshops and roundtables on issues and problems relevant in the banana sector.

## 1. Bananas Colombia

### *i. Human rights impacts*

Fairtrade interventions can contribute and have contributed positively to several human rights domains in the banana sector in Colombia, predominantly on improved working conditions, improved socio-economic conditions and better living conditions and some on women's empowerment in decision making.

#### **Working Conditions and Standard of Living**

First and foremost, in working conditions and standard of living<sup>95</sup>, Fairtrade standards and the Premium contribute positively to workers' working conditions and ultimately to the standard of living of workers.

#### **Improved Quality of life, Trust, Stability and Tranquility**

During the 'mapping workshops' held by the local researchers, it became obvious that employees<sup>96</sup> feel like allies of the companies, who are co-responsible for the production results as it affects their income as well. Interviewees mentioned that Fairtrade contributes to an increase in the worker's sense of belonging to the company by building bonds of trust, consolidating more collaborative relationships. "In the plantation there is harmony, there is hope and security in the environment. There is an interdependent relationship between all of those who work on the plantation, where they all have a total commitment to production because they all depend on it to have an income."<sup>97</sup>

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<sup>91</sup> <https://www.bananalink.org.uk/all-about-bananas/>

<sup>92</sup> This is why this study focusses predominantly on plantations.

<sup>93</sup> <https://www.bananalink.org.uk/dominican-republic/>

<sup>94</sup> As this initiative started in the middle of data collection by our local team, I do not believe the team was able to attribute any impacts to the initiative yet.

<sup>95</sup> See Annex X for Outcome 14 and , which was focused on working conditions in the Colombian banana context.

<sup>96</sup> Worker in plantation ecosystem mapping, Colombia

<sup>97</sup> This was shared in the "Plantation ecosystem mapping" workshop, Colombia

Even though it is arguable whether reward for individual performance is a goal that Fairtrade should thrive for,<sup>98</sup> from an ethnographic observation and the analysis of interviewees in Colombia, the researchers did conclude that workers showed, generally, a sense of tranquility, opportunity, and hope, understood because of having job stability.<sup>99</sup> During the workshop, a participant mentioned that “the proper operation of the plantation provides stability and a guarantee that things are going well for the workers and their households.”<sup>100</sup>

Even though it is not possible to conclude that people earn a living wage due to the existence of various threats such as the socioeconomic conditions of rural Colombia, the price of bananas and climate change, the study did find positive impacts in quality of life, which was considered closely related to the receiving of at least a fair wage. Particularly the Fairtrade minimum price and Premium have had clear impacts, according to the evidence collected in the regions Magdalena and Urabá. In the banana sector, Fairtrade policies and the Fairtrade premium make certified banana farms incredibly attractive to people because of the additional benefits that employees have through the company or the Cooperative. For example, one woman interviewed stated that she “prefers to work on a farm with all legal and extra-legal social benefits than in a store as a salesperson where she is only paid for the day”.<sup>101</sup>

An important finding showed that the investment of the Fairtrade premium results in an improvement in the quality of life of workers and the community. They enjoy decent housing and workers, and their children can access education, thereby providing alternatives to joining armed groups, illicit crops<sup>102</sup>, and reducing family conflicts. This is affirmed by the response of a surveyed worker: “It contributes to peace building because it helps young people find opportunities by studying and not leaving for the armed groups.” Another employee who has been working at the company for 35 years and was part of the study said:

*“Fairtrade certification contributes to peace in the region because it helps to improve the quality of life and be more relaxed in meeting their basic needs. When you are calmer and you do not have to worry about paying rent, you know that you have a house that is yours and from which you cannot be taken away, and you also have the opportunity to study for your children, and your wife is being trained to obtain additional sources of income, you reduce the need to seek to satisfy your needs by violent means”<sup>103</sup>.*

Finally, the Fairtrade Premium is used in the neighboring communities of the farms to improve infrastructure (playgrounds, parks, health centers) and provide educational and recreational activities, thereby promoting social development in the communities.

The extent to which Fairtrade has contributed to the perceived changes in the domain of working conditions can be summarized as follows. Fairtrade Criteria and the Premium are considered relevant for achieving transformational change through the improvement of workers' standard of living and a feeling of stability. The Fairtrade Premium, specifically, is invested in education, housing, health, and community development. It is also related to the fact that workers oversee the Fairtrade corporations, giving them the opportunity to make decisions and giving them a sense of empowerment. Workers feel listened to when referring to logistical work agreements such as shipments and team organization. Fairtrade has had a fundamental role in creating more horizontal relationships between workers and employers since decisions in premium committees are made in a participatory manner.

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<sup>98</sup> It is important to note that another study done on Fairtrade in tea plantations by K. Siegman, the researcher criticized the idea of FT as a reward for workers' commitment. She observed that “certification is framed as a reward for workers' commitment rather than for management's compliance and indicating that some respondents consider “rewards for individual performance inappropriate in a context where competitiveness is not necessarily appreciated.”

<sup>99</sup> Workshop TB1

<sup>100</sup> Interview EB15

<sup>101</sup> Interview field work Colombia

<sup>102</sup> The contribution of Fair Trade to sustainable development, n.d.

<sup>103</sup> Interview EB18

### Challenges in Shifting Power Relations

Considering this study looks at transformative change in human rights, an analysis of power relations between workers and employers is key to determine the role that Fairtrade plays vis a vis human rights.

The evidence shows that equal power relations are not yet a reality in the researched banana plantations. This conclusion is demonstrated both by the workers' perception of rights versus duties, by the (lack of) influence they have on decision-making processes as well as by a perceived lack of freedom to speak up against certain types of injustice. First, some people at the plantation describe labor rights as duties rather than rights that are included in the companies' internal policies and regulations for improving production. One plantation worker states: "Labor rights are the work in the field, the duty to do a good job."<sup>104</sup> A coordinator of a banana plantation mentioned: "By law, we have rights and duties, but mainly duties to the company, which are set forth in the internal work regulations."<sup>105</sup>

Interestingly, some respondents answered that increased awareness on labor rights benefits the company: there is a better working environment, and workers do their work more efficiently, therefore leading to better results for the company. This calls into question whether workers thoroughly understand how in a detailed manner how to instrumentalize their rights in their own favor, since understanding is mostly geared towards how it has a positive impact on the company and less on its impact on their own (working) lives. A plantation coordinator stated: "[it] influences in helping employees become more efficient"<sup>106</sup>, while an HR (Human Resources) employee of a banana company argued that awareness of labor rights was also good for the reputation of the company:

*"When workers are aware of their rights, the company looks good in audits and before the labor ministry"*<sup>107</sup>.

Third, decisions continue to be made by the plantation's administration, without workers' involvement. Although some workers say that they feel comfortable asking for improvement in working conditions and expressing their disagreements and requests to their superiors, the opposite was evidenced in the visits made to the plantation<sup>108</sup>, where for example someone said: "We want the worker to be heard in all situations on the farm because sometimes workers do not have a voice before coordinators and managers, and the versions of operators and bosses are considered. Workers are listened to but are not taken into account in decision-making."<sup>109</sup> This was also highlighted during the different workshops held by the research team.<sup>110</sup> Particularly in one plantation, the occupational health and safety manager was considered a distant, aggressive, and incisive person. During the exercise she was represented as an open scissor having its sharpening side towards the workers, as well as holding "communication" far from them. During a joint interview with this occupational health and safety manager and the human resources manager, the latter was not allowed to express her opinion on any of the questions asked.<sup>111</sup>

### Increased participation of women in leadership roles

In the domain of gender equality, Fairtrade has been able to contribute to increased participation of women in committees, participation in decision-making processes and better leadership roles. Through different activities, Fairtrade has contributed to some extent to the empowerment of women and the reduction of gender-based violence. The use of the Fairtrade premium improves the labor stability and living conditions of women and their families, hereby

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<sup>104</sup> Interview EB9

<sup>105</sup> Interview EB18

<sup>106</sup> Interview EB18

<sup>107</sup> Interview EB25

<sup>108</sup> Some participants asked not to be recorded when they expressed their disagreements, for fear of retaliation from the company; and 2. One worker preferred not to take part in the study, but told his superiors he did participate. Also, they feel that they cannot participate in solutions given to grievances or complaints, because the process is not mediated by dialogue.

<sup>109</sup> Workshop TB2

<sup>110</sup> During the same workshop, the company director was positioned far from the workers, observing the operation from the entrance of the plantation field and in a distant manner, making decisions from his place for the benefit of production. This might have an impact on bonding and creating horizontal relations.

<sup>111</sup> This allegation triggered the FI Protection Policy and was reported using procedures provided for safe follow-up and response.

contributing to the economic empowerment and independence of women. They participate more in the different committees, can participate in decision-making processes in the company and take up leadership roles.

In addition, most of those interviewed for this study perceive that the conditions of men and women working on banana farms are equal, and that work is distributed according to each person's skills and abilities. "Women have the same salary rights as men and protection against any kind of violence"<sup>112</sup> and "The insistence that we are equal, and that respect is given and earned regardless of whether we are men or women."<sup>113</sup>

Respondents state that they believe that women and men are paid equally. Changes have apparently occurred for both men and women in terms of the way they perform the functions assigned by the company and the recognition of women as workers and their role in the care economy (domestic work), which in some way has resulted in the recognition of women's rights."<sup>114</sup> This could indicate that there is less disparity between women and men on Fairtrade farms.

Indeed, to promote women's empowerment through Fairtrade in banana plantations, banana companies have implemented actions such as workshops, talks and training on issues of empowerment, gender equity, coexistence and Occupational Health and Safety. CLAC has conducted training and workshops on gender, aimed at leaders of certified companies, which are reinforced by other trainings provided by the company, which in turn is supported by local/municipal campaigns for prevention of gender-based violence.

However, it should be noted that in the regions where the data was collected, sociocultural factors continue to contribute to stereotypes and subsequent discrimination and disparity between women and men. Some interviewees mentioned "cultural aspects that play a role, for example the fact that women have multiple roles to fulfil, as mothers, daughters and caregivers"<sup>115</sup>. This makes them want to apply for jobs closer to their homes, while banana farms are often far away and have poor road connectivity. In the case of Colombia, the average time spent on unpaid domestic and care work by the employed population is 3:52 hours per day for women and 1:59 hours per day for men (Women and men: gender gaps in Colombia, n.d.), which gives veracity to the statements of the interviewees.

In addition, the fieldwork conducted in Colombia indicates that there may not be a free environment to speak out against violence and discrimination. One female respondent stated that there is discrimination on the farm where she works: "women are discriminated against, there is sexual harassment, and if you complain, you are fired. Women have to do the cleaning work. Women do not speak up when men are around, because men are listened to more than women."<sup>116</sup> One respondent of CLAC mentioned that the cases of sexual harassment that he has seen have mostly been between supervisors and workers.

Even though most interviewees mentioned they feel comfortable to complain, the grievance mechanism itself did not appear to have been used and complaints are mostly made through informal routes (*more about this in the upcoming chapter of grievance mechanisms*) as there is

*"no culture of formal complaints. [...] The formal route is not easily taken, as people are not sure if it is a safe route to take". These unequal power relations might make it more difficult to report harassment if it occurs.* <sup>117</sup>

These identifications of gender-based violence triggered the FI Protection Policy and were reported using procedures provided for safe follow-up and response.

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<sup>112</sup> Interview EB27

<sup>113</sup> Interview EB02

<sup>114</sup> Interview EB04

<sup>115</sup> Interview EB10

<sup>116</sup> Interview EB05

<sup>117</sup> Quote by local research team



Plantation workers mostly gain knowledge on sexual harassment policies, complaint policies, as well as the handling of them, through training and education in different spaces (such as inductions, re-inductions, committees), where good treatment and mutual respect are emphasized. One banana company mentioned that Fairtrade does play a positive role by financially supporting projects aimed at promoting gender equality. For example, with the support of Fairtrade, they implement programs that work with men towards gender equality, covering topics like family dynamics, domestic labor division and new masculinities.

In sum, taking up more leadership roles has not directly resulted in a greater enjoyment of women's rights and grievance procedures exist but appear to be under-utilized and could be user-friendlier for women in particular.

#### Fairtrade, Trade Unions and awareness on human rights

Finally, workers at Fairtrade certified banana plantations do appear to have general awareness of the importance of having labor rights, mostly related to fair remuneration (including payment of benefits and pension), what are safe working conditions and balanced working hours. They are aware that the Colombian law prescribes duties and obligations that employers have towards their employees. This is demonstrated, for example, by quotes of plantation workers: "The company has obligations by law to guarantee the rights of its employees"<sup>118</sup>, "[labor rights are] respect for work, salary and social benefits"<sup>119</sup>, "we know [...] the rights we have as workers: good work environment, use of PPE, work tools in good conditions"<sup>120</sup>, and "they [labor rights] are the rights that help one to perform the job well, that benefit the workers: get paid the right amount, health and pension benefits, training, work schedules".<sup>121</sup>

As a result of this awareness, most workers that were interviewed on the plantations of Urabá and Magdalena claim that they can mention violations of their rights to their employers, most notably when it comes to issues around salaries and working hours. A coordinator of a banana plantation explained: "The workers know the Colombian law very well, and they know what they are entitled to, what they are not entitled to and when it is being violated. If there is, for example, a mistake with the salary or with the schedules, the workers say so, make a complaint and we correct it".<sup>122</sup> The majority of interviewees also claim they feel comfortable demanding better working conditions if needed. As one plantation worker explained:

*"Yes, I feel comfortable asking my immediate boss for Personal Protection Equipment, as well as filing complaints or asking for an explanation of salary, because there is respect, dialogue and trust."*<sup>123</sup>

Even though there seems to be general awareness of labor rights on plantations, this study has not been able to identify the role of Fairtrade in increasing workers' awareness about their human rights and labor rights. During the study, increased awareness on labor rights was mostly attributed to the activities of trade unions.<sup>124</sup> These parties are most often mentioned as the ones that inform workers about their rights and represent the workers if their rights are violated or if there is a conflict with their employer. Committee activities are complementary to union activities, but unions seem to have more potential to influence power relations. The work of the Trade Unions has contributed to participatory negotiation processes and the signing and subsequent compliance with collective bargaining agreements that resulted in a salary increase higher than that agreed by the national government each year. These changes have resulted in improved living conditions for the workers, as they have better income and therefore more opportunities to invest in housing and improvements, education, and health.

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<sup>118</sup> Interview EB17, Colombia.

<sup>119</sup> Interview EB6, Colombia

<sup>120</sup> Interview EB15, Colombia

<sup>121</sup> Interview EB23, Colombia

<sup>122</sup> Interview EB2

<sup>123</sup> Interview EB16

<sup>124</sup> based on interviews with 6 trade union representatives, 2 worker committee representatives and a selection of workers.



The work of the worker committees, which are established under Colombian law, has also contributed to an improved working environment, labor performance, and productivity due to ongoing technical training and compliance with procedures, protocols, and labor policies.<sup>125</sup>

Workers interviewed report greater benefits when they participate and become members since they have more hours of training which enables them to help their colleagues to resolve any type of doubt or conflict that may arise related to labor relations or Occupational Health and Safety. However, unions appear to have a greater impact than workers' committees, because they act as a mediator of conflicts within the company and as a promoter of workers' rights.

Regarding the contribution of Fairtrade on freedom of association and the functioning of these committees and unions: because Freedom of Association is guaranteed by Colombian law, there is no observed contribution of Fairtrade. Additionally, workers who are members of unions stated that they do not receive training from Fairtrade regarding the strengthening of union work, an activity that is carried out by the union itself.

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*In sum, in the case of banana in Colombia, it is notable that the working and living conditions of contracted workers have improved substantially due to the benefits they receive from the Fairtrade Premium and the training activities (talks, training, workshops) from both the contracting company and CLAC (Fairtrade). This is in addition to the benefits of operating under the legal parameters which are often in line with the HLO Standard. The most notable aspect of Fairtrade's interventions is the Fairtrade Premium, resources with which banana workers can finance activities to improve their quality of life. In banana, the investment of the premium in housing, education, and health of workers and their families has had a direct impact on improving their quality of life. This means that the most direct impact that is in the scope of Fairtrade are human rights affected by the use of the Fairtrade Premium, such as the right to education and health, the right to an adequate standard of living, and the right to enjoy just and favorable conditions of work. The Right to equality before the law, equal protection of the law, and rights of non-discrimination and freedom of association are less within the realm of Fairtrade's influence.*

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## *ii. Beyond the scope*

While the premium and trainings make a big difference, **the impact of Fairtrade on power relations impact is limited, as “the voice” in plantations, still seems to be held predominantly by the administrative team’ and grievance mechanisms are grossly underused.** Generally, there does not appear to be a safe space for the voice of the most vulnerable workers (such as women) on plantations. Furthermore, it is difficult to attribute the awareness of labor rights among workers to ‘Fairtrade interventions’, but this may be due to the setup of the Fairtrade system: to empower local organizations to take up initiatives to improve working conditions, through a fairer wage and income.

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<sup>125</sup> Different committees are present in the certified banana plantations included in this study: - Promoted by FI: Comité de Prima (Fairtrade Premium Committee): worker representatives who decide on the use of the Fairtrade Premium. Promoted by the Trade Union: Comité Obrero Patronal: This committee is comprised of two company representatives and two employee representatives and its function is to ensure compliance with the collective bargaining agreement and the improvement of labor-management relations. Promoted by Colombian legislation: Comité de Convivencia Laboral (COCONLA, 'labour coexistence committee'): a committee that promotes labour relations and a conducive working environment. + “Comité Paritario de Seguridad y Salud en el Trabajo (COPASST), ('Joint Committee on Safety and Health at Work'): It is the technical body for participation between the company and workers to detect and assess the risks of accidents and occupational diseases.

The fulfilment of some rights, such as women's rights, the right to non-discrimination, and the right to live free from violence, also depends on other societal factors and other actors. Also, the rights that are already established in Colombian law and implemented by other actors, such as freedom of association and implementation of grievance mechanisms, may be beyond the scope of Fairtrade's interventions.

**Fairtrade could potentially improve its approach or interventions to shift the balance of power on Colombian banana plantations**, in several ways. With respect to freedom of association "Fairtrade's role is to actively support and complement [government and union] efforts by seeing to it that workers can exercise their fundamental rights and freedoms in certified plantations".<sup>126</sup> They could strengthen this role by providing technical training support to workers so that they know their rights, how to put them into practice and how to claim them using existing mechanisms for the protection of company and workers' rights, such as unions and worker committees. Through this exercise, Fairtrade could potentially support the important work of unions with Fairtrade expertise.

In addition, while the current Fairtrade system 'supports the fair distribution of labor between men and women and the Fairtrade System includes criteria on freedom of discrimination, gender inequality, and gender-based violence are structural and cultural issues, which means that the Fairtrade system alone might not have full influence on changing them. To improve Fairtrade interventions, it is recommended to give greater impetus to existing policies by implementing actions that allow women and men to work in the roles of workers and employers, both administrative and operational. It is also important to understand how the incorporation of women into the labor market in the agricultural sector (banana in particular) reduces the labor gap and poverty in women-led families. **This should go hand in hand with raising awareness among women and men about gender inequalities and mainstreaming them into company policies, plans and programs.** For example, one specific issue that creates tension in companies is maternity leave. Since Colombian paternity leave is much shorter than maternity leave, it might be more attractive for companies to hire male workers. **It could therefore be recommended that the Fairtrade Standard and gender policies supported by Fairtrade include provisions on paternity leave (currently it only mentions maternity leave).**

## 2. Bananas Dominican Republic

### *i. Human rights impacts*

Fairtrade interventions can contribute and have contributed positively to several of the focus human rights domains in the DR, including a living wage, better working conditions for (previously irregular) migrants that have received a legal status in the DR and some economic empowerment of migrant workers and women.

### *"Prima" brings form of empowerment*

In the domain of living wage, interviews with workers in the plantations (mainly Haitian migrants) demonstrate that there have been significant changes, thanks to Fairtrade, since they have better access to benefits as part of their employment. The changes are reflected in the quality of life of the workers on the plantations where there is a presence of Fairtrade and a significant improvement of workers' socio-economic position.

*"Si hay Fairtrade, hay cambio" (If there is Fairtrade, there is change),<sup>127</sup>*

<sup>126</sup> <https://www.fairtrade.net/news/fairtrade-highlights-ecuador-colombias-progress-banana-wages>

<sup>127</sup> Female worker on one of the plantations in Dominican Republic

According to one female worker on one of the plantations visited. Particularly the Fairtrade Premium (or “prima” as respondents refer to it) has important impacts, as one respondent explained: “with the Premium, the workers have access to loans, electro domestic appliances, food baskets and support for their children with school utilities.”

Specifically for migrants, the “prima” ensures a considerable contribution to income, also compared to other agricultural sectors in Dominican Republic. Since migrant workers are the majority in Workers Committees, they have a strong voice on how to spend the Premium which is especially important because migrants tend to suffer from discrimination and marginalization in most other aspects of their life. Beyond the positive changes resulting from Fairtrade interventions, employers do not really contribute to improving the lives of the workers.

However, living wage is not realized, mostly because the wage levels in the DR are not keeping up with inflation or the family *canasta básica* (the price of an inflation-indexed monthly food basket), which is currently some 41,000 Dominican pesos.<sup>128</sup> This is despite the fact that, throughout 2021 and up until May 1st, 2022, the National Committee of Salaries (CNS) has announced salary increases for 14 economic activities including a more than 100% increase for the sugar sector in early 2022. For February 2022 78% of the monthly salaries of 2,312,163 workers did not exceed RD\$30,000, far from the cost of the national, the monthly basket costing indexed at RD\$41,195 at the time.<sup>129</sup>

The issue of documentation limits migrants in opening a bank account, which limits their ability to fully participate through their employment. It was reported, for example, that migrants without a bank account were excluded from receiving the “prima”,<sup>130</sup> showing how structural effects of not having a regular legal status can limit Fairtrade’s impacts for vulnerable groups of workers. This is in spite of the fact that Fairtrade has requirements in projects for including vulnerable groups, such as immigrants. According to official sources, some half of the migrants that succeeded in obtaining a legal status (that is, became regularized<sup>131</sup>) moved from the banana sector to other sectors for better wages and benefits, inside and outside of the country.<sup>132</sup>

In the domain of working conditions, the evidence suggests that there are better working conditions in banana plantations because of Fairtrade standards. Improvements include better benefits for regularized persons and written contracts. As one representative puts it: “There are written contracts, food/lunch, transport and other benefits which do not exist in the traditional plantations. Social security and benefits are established as per the law - the employer has to pay employment benefits especially when a worker is laid off, independently of the irregularity or legality of the person’s residence.”

However, the contracts themselves may be a legal nicety when those giving out the contracts do not necessarily follow the letter of the written contract. This is a risk in a context where low levels of literacy both in Haitian Creole and in Spanish impede a good understanding of written contracts by migrant workers. Moreover, the importance of a written contract may be lessened by the legal reality that in the Dominican Republic, an oral contract is equivalent to a written contract. An NGO representative noted that:

*“Contracts are not necessarily made with workers without migration documents, so that at the level of leave they cannot opt for that benefit, as for health they cannot get sick leave. At the level of the workers in the plantations, I am witness to the fact that many pregnant women give birth and when they do so they have to go back to work straight away, they are not paid their salary for the stipulated time. One of the factors that influence this is the linguistic*

<sup>128</sup> <https://acento.com.do/el-financiero/aumentos-salariales-esfuerzos-que-no-superan-el-costo-de-la-canasta-basica-9057341.html>

<sup>129</sup> <https://acento.com.do/el-financiero/salarios-promedios-en-rd-san-cristobal-es-la-excepcion-y-con-elias-pina-dan-ganas-de-llorar-9058752.html>

<sup>130</sup> For context it is, however, important to note that Most of the Premium is invested into projects though, which would benefit the whole community.

<sup>131</sup> Regularized migrants are previously irregular migrants that have obtained a normalized legal status including the proper documentation. In 2013, the Dominican

<sup>132</sup> [http://obmica.org/images/Trabajo\\_Digna\\_Cruza\\_Fronteras\\_2021\\_compressed.pdf](http://obmica.org/images/Trabajo_Digna_Cruza_Fronteras_2021_compressed.pdf)

*barrier and the fact that the workers do not understand the power of a labor contract nor to whom to turn if their rights are violated.”<sup>133</sup>*

In the contracts there is no consideration of family accompaniment. The way in which the contracts are managed continues to be precarious. As CLAC has pointed out, there are more advanced models (for example, migrant workers in the coffee sector in Costa Rica) which facilitate the process of identification and contracting online in the country of origin such that at the time when the workers report at the border, they receive their corresponding documentation which enables access to the corresponding services and rights for the worker and his/her family. Haitian migrant women are routinely abused at the border, even more so than putative counterpart Haitian male workers are.<sup>134</sup>

The Premium and trainings make some difference, but the impact on power relations is limited, as the legal status of migrants maintains a structural power imbalance. The data compiled in the interviews confirm that the migrant workers in the plantation are disadvantaged since they do not have access to social security, pensions, individual and family health security nor are they covered by labor risks. These workers do not receive equivalent benefits to native workers for legal reasons, that is their lack of documents and legal residency. Services available for private security do not offer the cover that the national health security has. In consequence, for example, producers may pay more for private health insurance for the workers which results in extra costs and not such a good service.

The national regularization plan for foreigners with irregular status<sup>135</sup>, jump-started in 2014, facilitated the process of moving towards these benefits. There has, however, been no continuity with the program (registration stopped for it in mid-2015) and the processing of applications that irregular migrants have done is extremely slow, creating a lot of unclarity and uncertainty.<sup>136</sup> Moreover, documentation such as residence permits and permits have started to expire, and Haitian workers often do not have the resources to obtain new documents. Both irregular migrants and only partially regular migrants live in a context of fear and mistrust in which they sometimes choose to try to stay off the radar, as (continued) registration is by some perceived as a risk to be deported in one of the regular deportation actions carried out by the government.<sup>137</sup> Therefore, currently, there is a substantial group of workers that have an irregular status<sup>138</sup> who risk arbitrary detention, and risk deportation when outside the workplace and have no access to social security or, for example, healthcare.<sup>139</sup>

Back in 2014-2015 the Fairtrade “prima” (Premium) was used to assist the process of registration in the national regularization program. Afterwards, the Premium was not similarly used to aid regularization, and respondents observe to not receive much assistance by Fairtrade in this regard. According to the local research team, wider conversations need to be held, for example with ministerial entities and the central government, to solve the documentation status of migrant workers such that the producers can comply with the norms they have signed up to. It is important to note that in 2021, Fairtrade has started working with several partners to devise a roadmap which will enable migrant workers in Fairtrade certified organizations to obtain legal status and access the same rights as enjoyed by their Dominican colleagues. To achieve this, a multi-stakeholder group of like-minded organizations will enter into dialogue with the Dominican and Haitian governments to find long-term sustainable solutions.<sup>140</sup>

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<sup>133</sup> Interview NGO, DR

<sup>134</sup> [Trabajo digno cruza fronteras:](#)

<sup>135</sup> National Regularization Plan for Foreigners (PNRE by its Spanish acronym)

<sup>136</sup> By contrast, the current normalization program for Venezuelan irregular migrants in the Dominican Republic (jump-started in early 2021) is relatively more flexible in terms of the requirements for access to migration documentation and the opening of bank accounts inter alia. See: <https://dominicanrepublic.iom.int/es/news/cerca-del-40-de-las-personas-venezolanas-en-republica-dominicana-estan-un-paso-mas-cerca-de-acceder-al-estatus-regular>

<sup>137</sup> See [Estudio descriptivo-exploratorio sobre el mercado laboral en el sector agrícola y su necesidad de mano de obra extranjera](#) and more generally, <https://jacobin.com/2021/08/dominican-republic-haitian-descent-stateless-nightmare-citizen-rights>.

<sup>138</sup> See [Estudio descriptivo-exploratorio sobre el mercado laboral en el sector agrícola y su necesidad de mano de obra extranjera](#) and more generally, <https://jacobin.com/2021/08/dominican-republic-haitian-descent-stateless-nightmare-citizen-rights>.

<sup>139</sup> Therefore special social protection program were unobtainable under Covid-19 for irregular migrants.

<sup>140</sup> See: Fairtrade (2021). migrant banana workers in the dominican republic a roadmap to equal rights.m [https://files.fairtrade.net/publications/2021-05\\_Dom-Rep-migrant-workers-factsheet-v\\_FINAL.pdf](https://files.fairtrade.net/publications/2021-05_Dom-Rep-migrant-workers-factsheet-v_FINAL.pdf)

In sum, the situation remains as was observed in an earlier exploratory study by OBMICA: “There is a favorable difference for the migrant workers who work in the frame of so-called fair trade (vis a vis those workers in the banana sector where the producers have not managed to access this system or have not been able to maintain its standards). However, significant gaps remain with respect to working conditions to protect fully their labor, economic, social and cultural rights. Normally they work in lower-level work than that carried out by Dominicans in the same sector. To close these gaps, the need is highlighted to pay even more attention to the regularization of the workers, recognizing that the PNRE was a step forward but its sustainability over time is not clear either for the worker or for accompanying family members in the DR.”<sup>141</sup> Even though it was possible to attribute to Fairtrade some specific changes in working conditions -the workers interviewed attributed changes brought to the “prima”- it was suggested that Fairtrade could implement alternative investment processes with a specific reference to migrant workers.

### Gender equality

In the area of gender equality, Fairtrade has been able to contribute to improving job stability and living conditions of women, through an “impressive selection of policies on women’s rights and discrimination against them.”<sup>142</sup>

First, the data compiled confirm that the training and sensitization by Fairtrade in the plantations have helped women workers to be better informed about sexual and workplace harassment. The talks facilitated by CLAC are for mixed groups and facilitate information and sensitization to both men and women. One manager clarifies: “Yes, the trainings and sensitization by Fairtrade in the plantations have helped the women to be informed about sexual and labor harassment. The talks by CLAC are mixed, such that the information and sensitization on harassment is to both women and men.” There are differences between the plantations, which receive training and where there is information about rights as opposed to those traditional sites, which do not. The training is necessary, and the sensitization should happen with all the stakeholders, workers as well as producers, and managers. union representative states: “On the certified plantations, workers are more protected than on the plantations which are not certified. The knowledge acquired in the workshops and trainings on their rights and duties have been significant, previously there were harassment incidents, but after the workshops, there are fewer complaints. [It is likely, however,] that women are still afraid to speak and communicate their situation when assaulted.”

The data obtained from the interviews indicates, however, that the training has not been sufficient to improve perceptions of harassment and mistreatment in the workplace due to cultural and linguistic barriers. In addition, the challenge for women may be at the social and community level, as they often do not know how to manage the complaint if there is harassment in the neighborhood where she lives. In the plantations, the migrant women workers look for another woman who can serve as an intermediary in the complaints she may have about uncomfortable situations or harassment. However, it is still difficult for women to change patterns of communication around harassment when *machista* attitudes predominate in both social and institutional relations. There are also cultural relations between peers (migrant men and migrant women) which are difficult to decode, and which may affect the situation of harassment of the women and whether they lodge a complaint. In the contexts studied, there is no register of complaints in the workplace.

Furthermore, the data compiled confirms that the women migrants who work in the banana sector were affected by Covid-19. For those women who do have children in the DR the pandemic caused problems for them since the public schools were closed for several months and culturally it is the women who must engage in childcare. One informant noted that some workers had sent their children to Haiti to better cope under the pandemic and in some cases, they had to pay other people to engage in care for their children. This data is consistent with a study carried out on the southern border by OBMICA, which has researched the effects of Covid-19 for migrants and their descendants towards the end of

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<sup>141</sup> <http://obmica.org/index.php/publicaciones/informes/350-trabajo-digno-cruza-fronteras-enfocando-el-sector-bananero-de-la-linea-noroeste-republica-dominicana>

<sup>142</sup> OBMICA

2020. The latter research indicates the difficulties of women migrants in following up on the education of their children for language reasons compounded by their own low level of education.

The need for Fairtrade to be closer to women was expressed (by a female migrant with three years on the job) in order to go deeper into understanding the needs of the women.

*“There need to be meetings with the women’s committees to have a closer approach, because sometimes women may have needs, but if you do not meet with them, you will not be able to know of these needs.”*

#### Worker Committees contribute to more equal relationships

In the domain of freedom of association, some contributions of Fairtrade can be found in improvement in relations between the workers and the managers on the plantations because of the worker committees. Data collected confirms that the members of the committees receive training, improve their skills, and represent their fellow workers in the corresponding interfaces. There is improvement in relations between the workers and the managers on the plantations because of the committees, even though the bulk of the workers come from Haiti and have a very basic level of Spanish. Nonetheless, because of the linguistic barriers, the registers, and minutes of the meetings of these committees are liable to be rudimentary and short on detail which may take away some empowerment. As one manager states: “The notes of the meetings of the committees are most of the time done by the management of the plantation because of education problems (the representatives do not read or write). The management then looks to the workers to sign off on the minutes, which implies a bias in the agreements and agreed resolutions”.

Lack of empowerment among workers (particularly Haitian workers and the high level of rotation in their work) appears to form an obstacle to unionization, especially considering the context of unionization in the DR. There is a historical mistrust of the unions, which are perceived as troublemakers as opposed to labor rights brokers. Hence, these are to be discouraged from the point of view of many producers. Producers on the plantations argue for boycotting the formation of unions, since they have a heavy political weight, which might affect the relations between the workers and the managers on the plantations. As one manager puts it:

*“The Unions in the plantations bring more problems than benefits, the workers’ committees are more appropriate as a representation of the workers on the plantation. The unions bring conflict to the plantations because of the economic and political interests of their leaders.”*

The scarcity of unions (as well as deficient quality) impedes the possibility of collective bargaining and negotiations between workers and bosses to achieve better working and social conditions for the workers. In line with this, it was confirmed that the workers committees compete in some way with the formation of unions in the plantations. The workers maintain that the committees represent them directly with no intermediaries, in contrast to the unions whose work takes place outside of the plantations. To still support a sectoral approach, CLAC has been encouraging the formation of round tables of workers which would allow for a representatively of the sector, and which goes beyond the local perspective of the workers, based on the integration of a Network of Fairtrade banana workers for the DR.

In the interviews carried out it was not possible to attribute specific changes in the domain of freedom of association, because the committees are more connected with the administration of the “prima” (which is administrated by workers’ committees) with support for and strengthening of these committees. The few unionized people in the sector affirmed that they do not receive training from Fairtrade regarding union work, its outreach, and benefits. Likewise, they mention that the types of interventions that have created change for the workers, are related to the Fairtrade training for the formation and integration of the worker’s committees.



Finally, it is unlikely that any of the women migrants are unionized, not least because they work part-time and bare most of the child-caring responsibilities. Even if the migrant women were to be unionized, it should be noted that the context in the DR has so far been relatively unfavorable to union petitions to consider family responsibilities in balance with work. The unions have had unanswered vindications in this relationship since the new PRM government came into power in August 2020. “Adopting the reforms needed to balance work and family responsibilities is on the list of proposals presented in February 2022 by the Dominican Republic’s trade union confederations – CASC, CNTD and CNUS – for consideration in the reform of the Dominican Labor Code. [...] Cimtra, the inter-union women’s committee with representatives from the three union confederations, already presented this in a demands document drawn up ahead of the change of government for the 2020-2024 period. The document calls for the inclusion of clauses in collective bargaining agreements to ensure gender equality and equal treatment of workers with family responsibilities, based on the International Labor Organization (ILO) conventions on equal remuneration, non-discrimination in employment and occupation, and workers with family responsibilities, among others.”<sup>143</sup> This could potentially be a point of attention for Fairtrade in advocacy efforts.

### Information gathering on child labor

In the domain of child labor Fairtrade has taken steps to gather information on and measure the prevalence of child labor through a diagnostic with Save The Children on child labor and has introduced several child labor policies.

CLAC carried out an assessment with Save The Children on child labor. However, even though the results were presented, no measures appear to have been taken to “socialize” the results with relevant stakeholders who participated in the study or carry out follow-up/monitoring of the results. Those consulted in the interviews for this domain were not aware of the study; only the CLAC officials knew of it and were aware of some activities carried out in relation to the results.<sup>144</sup>

An interviewed NGO representative commented more generally on the issue of child labor thus: “Child labor is very difficult to measure in the sector, since mainly the children who work in the plantation do not have documents and carry out work which is not so routine on the plantations. Because it is work that is done on the odd day, called *ajusteros* (a one-off worker and not a wage laborer), the plantation does not have any control as to whether the person enters or not that day. I do not know of the strategy used to measure child labor in the sector. Well, if you go to the community perhaps but even then, it is difficult because the children are not going to tell you that they do it.”

CLAC and Fairtrade interventions have been implemented in the DR and the region, among which the through their Child Protection and Vulnerable Adults Policy, which aims to, among others, “develop [producers’] capacities in prevention, monitoring and remediation of child labor and their capacities to distinguish between child labor and permitted work, in line with generational inclusion.”<sup>145</sup> The diagnostic assessment seems like a step in the right direction to monitoring child labor, but steps could be taken to further follow up on its results. This is particularly in light of the evidence that has appeared worldwide and in the Dominican Republic, that child labor increased under Covid-19 when families may have been economically hit and distance learning was inappropriate for lower income families with schools closed.<sup>146</sup> However, the research Team does not have concrete evidence one way or another for the banana sector in the DR, neither for native workers (a small minority) nor for migrant workers (the vast majority).<sup>147</sup>

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<sup>143</sup> [https://www.equaltimes.org/trade-unions-in-dominican-republic?lang=en#.YnqnA\\_PMLIU](https://www.equaltimes.org/trade-unions-in-dominican-republic?lang=en#.YnqnA_PMLIU)

<sup>144</sup> This is in a context in the DR where work for those under 14 years of age is prohibited and work, which is either dangerous or insalubrious, is not allowed for those under 18 years of age. Most of the work in the banana plantation might fall into one or other of these latter categories.

<sup>145</sup> <https://www.clac-comerciojusto.org/wp-content/uploads/2015/04/El-comercio-justo-frente-al-trabajo-infantil-y-el-trabajo-forzoso-la-posici%c3%b3n-de-CLAC-ok.pdf>

<sup>146</sup> <https://www.diariolibre.com/actualidad/educacion/un-36-de-los-estudiantes-de-12-y-15-años-de-zonas-vulnerables-trabaja-para-subsistir-EA27506435> World Vision study of 2021, including province of Montecristi.

<sup>147</sup> It is important to note that the Research Task Force developed policies also describing the need to disseminate and organize learning workshops for each study. However, those are from 2021 and systemically implementing them is an ongoing process for Fairtrade. This is easier for studies managed by FI than for locally managed studies (where FI involvement might be limited).

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*In sum, in the case of hired labor in the banana sector in the DR, Fairtrade standards very slowly help to push labor and human rights compliance forward. The working and living conditions of regularized workers (with documents) have improved benefits - such as access to social security and written contracts. The training activities from CLAC (Fairtrade) additionally contribute to some increased awareness on mistreatment in the workplace. Also unregularized migrant workers benefit somewhat by means of the “prima” which contributes to income boosting benefits in the banana sector, if compared with other sectors in Dominican agriculture. This is because, since they are the majority in the Workers Committees, they decide what to do with the “prima” within the possibilities offered by Fairtrade.*

*Linguistic and cultural barriers, however, impede the ability of migrant workers to benefit fully from CLAC’s interventions and trainings. Similarly, where there is some improvement perceived in relations between the workers and the managers on the plantations because of the worker committees, language barriers impede a large part of the migrant workers’ empowerment through these committees. The right to join a union is further affected both by the historical mistrust in unions in the DR and some considerable gendered obstacles that (migrant) women face to take part. Overall, patterns of communication around gender and harassment continue to form a large obstacle for women to raise their concerns, as machista attitudes predominate in both social and institutional relations.*

*This means that the most direct impact that is in the scope of Fairtrade in the Dominican Republic are human rights in the realm of the right to enjoy just and favorable conditions of work, the Right to social security, including social insurance and the right to an adequate standard of life. Potentially, if Fairtrade would strengthen some of its advocacy and training efforts around the position of migrant workers it could further influence the right of non-discrimination and equality before the law.<sup>148</sup> Further investing in a sectoral approach and awareness raising for workers on their rights and how to claim them using existing mechanisms could further support the right to freedom of association.*

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#### *ii. Beyond the scope*

A century of Haitian labor migration to the neighboring Dominican Republic has **produced little integration with the host society and working conditions continue to be deficient**. While the Premium and trainings make a difference, also for migrant workers, the impact of Fairtrade on power relations impact is limited, as the marginalized migrant workers, which stand for 80% of the workforce, are grossly disadvantaged. They occupy lower positions in contrast to native workers, partly because of issues to do with low literacy levels and legal status. This in turn appears to result in lower-level conditions when not regularized nor with legal documentation. Fairtrade could increase linguistic and cultural integration by language schools and intercultural activities to improve comprehension of human rights among migrant workers. It could also focus on having wider conversations with ministerial entities and with the National Migration Institute (INM-RD), to solve the documentation status of migrant workers such that the producers can comply with the

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<sup>148</sup> In mid 2021 Fairtrade started a promising initiative on migrants: A coalition of Fairtrade, trade unions, banana producers and civil society groups has devised a ‘roadmap’ which will enable migrant workers in Fairtrade certified organizations to obtain legal status and access the same rights enjoyed by their Dominican colleagues. At the time of writing no impacts could be attributed to this initiative yet, but it is an important opportunity for the future. More information can be found here: <https://www.fairtrade.net/news/brighter-future-migrant-banana-workers-dominican-republic>



norms to which they have signed up to. (Such as the previously mentioned Roadmap for inclusion of migrants, that was developed mid 2021.)

Regarding recruitment, more advanced models (for example, migrant workers in the coffee sector in Costa Rica) facilitate the process of identification and contracting online in the country of origin. Fairtrade could study these good practices, in combination with the regularization issue, since these types of models cannot be enacted unless the regularization issue is sustainably resolved.

In addition, in the past, the **DR had been taken to task internationally for lack of freedom of association**; this situation has been overcome but there is still a lot of mistrust because of the perceived lack of quality of the unions. Fairtrade could broaden its interventions with respect to the workers' committees, making available more technical support for the union and information for workers on their rights and how to claim them using existing mechanisms defined by union law in the country. Indeed, a union representative interviewed underscored the important role CLAC could have in actions to promote the unionization of workers and dissipate the fear that workers would be fired if they integrate into this type of organization. In addition, as discussed in the Danish Institute of Human Rights (DIHR) GAP analysis, migrant labor is an important issue for Fairtrade, and migrant workers are mentioned throughout the Fairtrade standards. Fairtrade is encouraged to consider the importance of this right and update its Standards with this language focused on the specific vulnerabilities of migrants.<sup>149</sup>

Third, **child labor in this sector (as it is in other sectors) is objectively difficult to monitor**. Abuses in this area had been improving in the DR but Covid-19 set back improvement, due to the increased economic needs of families. Indeed, Fairtrade International is already encouraging SPOs to do this (such as through its The Youth Inclusive Community Based Monitoring and Remediation (YICBMR)), but self-monitoring would require SPOs to embrace this activity and see the value in it. Fairtrade could step up its self-monitoring efforts as well as dialogue with other stakeholders to have a more updated assessment of this issue.

Finally, **women workers (especially migrants) face issues in vocalizing and managing complaints** on harassment as it is difficult for the women (or Fairtrade for that matter) to change patterns of communication around harassment when *machista* attitudes predominate in social and institutional relations. However, Fairtrade could broaden their interventions with respect to better responding to the rights of women with extra funds to assist with childcare and with language training to facilitate their social and cultural insertion. They could also meet more frequently with the women's committees to get knowledge of the women's needs, which may not be immediately visible but quite possibly exist.

Considering that Fairtrade is a **flagship agricultural program of the DR**, Fairtrade may, however, **"have more room for policy advocacy and [more strongly] leverage better conditions for the workers** in the banana sector than perhaps that which it is currently exercising. That said, there are major obstacles facing more sustained regularization for Haitian migrant labor, which make the context challenging in the extreme. Without legal status, the benefits of Fairtrade for banana workers in the country will continue to be diluted and precarious. In consequence, it is important to ally with those who reject short-term, one-off applicable on limited sectorial basis regularization stopgaps, which may only patch over a longer-term problem, and which probably requires legislative change and political will to fix."<sup>150</sup>

#### D. Conclusions and link to HRDD

The analyses above provide a quick and focused glance into the way in which Fairtrade can have impact on different human rights domains. The analysis zoomed into a selected set of Fairtrade interventions, advocacy efforts and policies in particular contexts in order to grasp what human rights impacts are within the scope of Fairtrade's reach. As the analysis clearly demonstrates, sector characteristics, country policies, and culture clearly affect what are the most salient human rights risks, and which groups within the supply chain are at greater risk because of these factors. In line

<sup>149</sup> DIHR (2020). Fairtrade Document Review

<sup>150</sup> Quote by local research team OBMICA

with this, Fairtrade has aims to impact different sets of rights, and shows itself to be capable of having some important impacts, in response to the often complex context. Where women may be particularly vulnerable to sexual harassment in the Colombian banana sector, migrants are more vulnerable to exclusion in the Dominican banana sector. Fairtrade's impact, to a large extent, seems to follow saliency. Fairtrade contributes towards a living income for coffee farmers in Ethiopia, despite not having a Living Income reference price. Moreover, Fairtrade was able to influence policy on child labor in Colombia, and it was successful in influencing migration policy in the DR.

Zooming out from our specific selection of countries, sectors and issues, some general trends can be identified that are relevant for the purpose of HRDD by corporations that need to implement this process. **First, the Minimum Price prevents some of the negative human rights impacts related to lower prices and price fluctuations.** Fairtrade contributes to continuity and 'tranquility', for example in Ethiopia, where farmers reported more confidence to continue producing coffee and in Colombia workers reported a sense of stability from working in a Fairtrade-certified plantation.

**Second, the Premium overall contributes to a higher standard of living, as evidenced in both sectors, in some cases also for the most vulnerable.** An overall higher standard of living can be a base for other human rights such as in the realm of education and health. Specifically, the decision-making power that farmers and workers have on the spending of the Premium plays an important, empowering role. It allows them to address threats to income, such as climate change. For example, Colombian coffee farmers invested in silos to keep coffee dry in increasingly wet seasons. In addition, the Premium is used to improve production. For example, Ethiopian small producers invested the Premium to improve the quality of their coffee. More broadly, the Premium can be used for empowerment also in other areas. For example, in Colombia, the Premium was used to finance study grants for plantation workers and free study vouchers for their children.

**Third, the Standards have the potential to deepen the respect for human rights among producers and workers.** As they are revised regularly, through inclusive processes, to raise their effectiveness, they have the ability to increase the focus on those most vulnerable to human rights violations in different sectors. The inclusion of migrants in the HLO standard and attention for their specific rights challenges is an example of this.

**Fourth, Fairtrade has a Protection Policy for Children and Vulnerable Adults<sup>151</sup> (linked to the Protection & Safeguarding Policy) which has the potential to contribute to detect the risk of exploitation of the most vulnerable people that come in contact with the system.** However, this does not amount to continuous monitoring, because the Protection policy, rather, requires that whenever a case of any of the worst forms of child labour, forced labour or GBV is identified or alleged, Fairtrade acts to protect the affected child or children. Still, in Ethiopia and Dominican Republic, the Child Protection Policy was mentioned as a relevant intervention regarding the mitigation of the risk of child labour. A non-compliance or detection would concretely lead to a measure by Fairtrade, which has important potential (as long as it is implemented effectively).

From the analysis it appears that **the human rights domains on which Fairtrade has had, and can have, the most impact, fall predominantly within the realm of social and economic rights.** A better income (even if it does not always reach a living income/wage due to external factors) leads to a better standard of living. However, many of the unequal power relations in the banana and coffee supply chains are linked to violations of political or civil rights (non-discrimination, status, equality before the law, freedom of association), linked to culture (machismo, patriarchy) or linked to the existing policies and laws of the country of focus (e.g. the right to form and join unions). It is therefore not surprising that Fairtrade has had more impact on standard of living, and limited impact on migrant's rights and women's rights.

**It is difficult for Fairtrade to affect power relations.** This conclusion is in line with a recent study mapping 151 studies (2015-2020) on Fairtrade's impacts against its ToC, which showed that Fairtrade cannot be sure it contributed to

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<sup>151</sup> Fairtrade International's Protection Policy and Procedures are triggered when FI is made aware of an allegation or suspicion with regard to the worst forms of Child Labor, Forced Labor and Gender Based Violence and related exploitation, abuse and/or neglect in Fairtrade producer organizations

changes in the area of ‘transparency and equitable distribution of risks and rewards in supply chains’. This was illustrated by referring to a study in which “[u]nequal exchange relations that define conventional commodity chains were reported as continuing with Fairtrade.” The meta-study concluded that “from the majority of studies examined, it appears that the Fairtrade model is not currently set to change power balances”<sup>152</sup>

Of course, the strengthening of economic and social rights can contribute to the strengthening of political and civil rights, as these categories are intricately intertwined. But **the national and cultural context will always be a strong determinant of how much any actor can have in the civil and political space.** For example, worker committees can create positive change and empower workers, but they cannot, by themselves, effectively shift power relations in the sector. “Workers are not able to negotiate wages through committees. You need legal defense as a union to negotiate these kinds of changes, in collaboration with other plantations. That changes the power imbalance.”<sup>153</sup> In the end, responsibility for human rights lies with the duty bearing, states. If there are no government interventions, many of these complex human rights issues cannot be resolved. Fairtrade is limited by the national context it works in but also actively seeks to change it, by engaging in policy dialogue. Fairtrade advocates for fairer laws putting pressure on states to fulfill their human rights and environmental duties.

The diversity between country and sector contexts and complexity of human rights issues is also the reason why implementing HRDD processes is so complicated for companies that are not on the ground or have local knowledge, connections, and infrastructure. The evidence, however, suggests that the interventions by Fairtrade, through CLAC and Fairtrade Africa in the described contexts, appear highly contextualized and tailored to specific vulnerabilities, which display a degree of flexibility that, in theory, could respond to the most salient issues upstream in each of the supply chains. This is because Fairtrade Producer Organizations and Fairtrade staff are very well informed on the salient issues that are relevant, and often have long lasting relations with producers and stakeholders. Even though Fairtrade cannot resolve all human rights issues on their own within their supply chains, they are well-positioned to give insight into the very specific vulnerabilities that would otherwise not be exposed. In this sense, Fairtrade has the potential to give its members a ‘head start’ into making the issues in the chain more visible and contextualized, which is a starting point for meaningful HRDD. How they can do this will be discussed in more detail in the next chapter.

## 5. Fairtrade’s relevance in the process of human rights due diligence (external)

As defined in the introduction, HRDD is part of the responsibility<sup>154</sup> of all corporations to respect human rights, as defined in the UNGPs and OECD Guidelines. Prospective legislation would make HRDD mandatory for all European corporations.<sup>155</sup> As a result, the research on how Fairtrade’s interventions are relevant for (external) HRDD relates to Fairtrade’s relevance for corporations in their HRDD processes (excluding producer organizations).<sup>156</sup> In the framework introduced in the introduction, this chapter investigates the relevance of Fairtrade interventions externally, in the HRDD processes of downstream companies.

During the research process – in which it was central to investigate how Fairtrade’s interventions are relevant for HRDD – we continuously concluded that Fairtrade cannot take over HRDD but, instead, can only be relevant for meaningful human rights due diligence as a *partner* in the HRDD of downstream corporations. Therefore, the question “How can Fairtrade improve its relevance” first deserves an analysis of how they can and should be relevant as a partner in this

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<sup>152</sup> See p.13 of report linked at <https://www.fairtrade.net/library/exploring-fairtrades-impact-a-review-of-research-on-fairtrade-from-2015-2020>

<sup>153</sup> interview 12, international

<sup>154</sup> See Ruggie, J. (2008). Protect, respect and remedy: A framework for business and human rights. *Innovations: Technology, Governance, Globalization*, 3(2), 189-212, retrieved from: <https://www.mitpressjournals.org/doi/pdf/10.1162/itgg.2008.3.2.189>

<sup>155</sup> For example, the proposed European Directive on corporate sustainability due diligence will apply to (group 1) all EU limited liability companies of substantial size and economic power (with 500+ employees and EUR 150 million+ in net turnover worldwide) and (group 2) other limited liability companies operating in defined high impact sectors, which do not meet both Group 1 thresholds, but have more than 250 employees and a net turnover of EUR 40 million worldwide and more. See: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_1145](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_1145). *When successful, it is expected that this European legislation will have major implications for non-European companies, throughout supply chains.*

<sup>156</sup> The research has not focused on whether and how producer organizations complying with new EU standards would empower Pos and give them market access to the EU.

process. Therefore, in the next sections, we analyze how Fairtrade 1) *can* contribute to the six steps of Human Rights Due Diligence with current intervention and 2) *should* position itself in order to support meaningful, rather than tick-the-box HRDD.

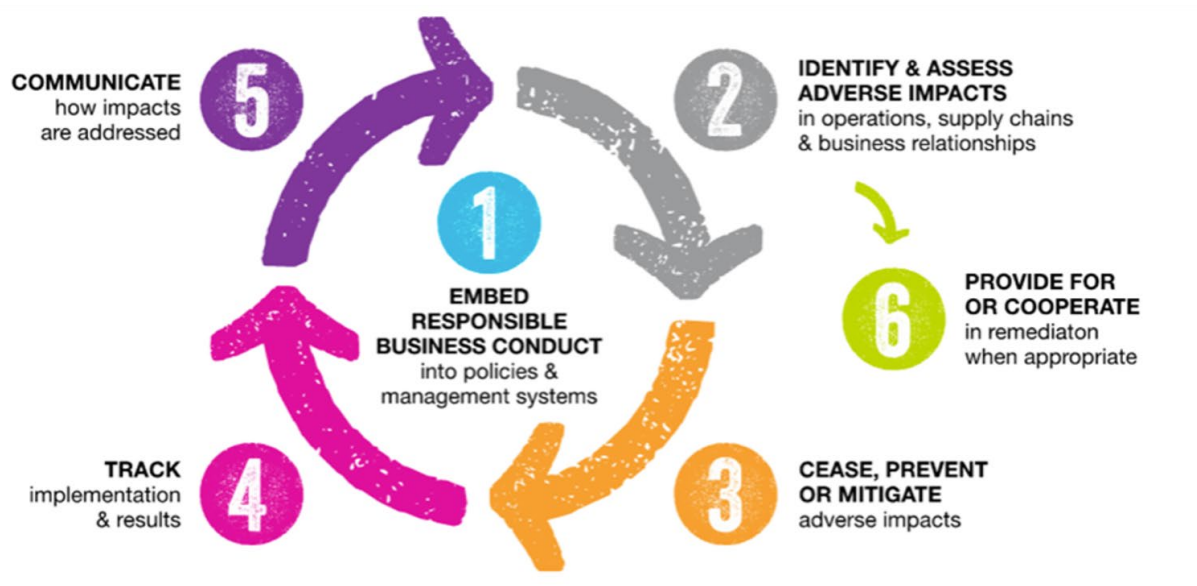


Figure X. The Six Steps of the Human Rights Due Diligence process<sup>157</sup>

### Step 1 - Embed Responsible Business Conduct into policies and management systems

According to the UN Guiding Principles and OECD Due Diligence Guidance<sup>158</sup> the first step of Human Rights Due Diligence relates to corporations articulating commitments, embedding systems and engagement with business relations on Human Rights. This step makes it clear that HRDD for companies is not something that is done as a side-project but, instead, should be integral to all relevant business systems and activities. Fairtrade’s potential role in this step is limited or non-existent because Fairtrade interventions do not target internal business policies and management systems. Given Fairtrade’s position and mission, Fairtrade can convince companies to closely look at their own contribution to negative human rights impacts through existing relations with downstream retailers, brands, and manufacturers. However, the focus should be on improving Fairtrade’s position as an effective partner in meaningful HRDD as a knowledge broker.

It is important that Fairtrade in no way becomes a proxy for HRDD process by companies. According to a Fairtrade staff member, “if Northern companies can cross the HRDD expectations off by including tighter requirements into their codes of conduct and evading purchases and business in lowest-income areas, the HRDD approach can marginalize vulnerable workers and farmers even further. What we need is more collaboration and co-investment among supply chain actors. That’s why Fairtrade is working to promote the highest standards of due diligence and responsible business conduct through new and much needed legislations.”<sup>159</sup>

However, there is a possibility for Fairtrade to contribute to making HRDD meaningful HRDD and for example increase the voice of producers in processes of HRDD by companies. This is a position that Fairtrade has already adopted in the run-up to the EU directive on Corporate Sustainability Due Diligence<sup>160</sup> which will significantly guide the adoption of HRDD into corporate policies and management systems. Fairtrade continues these efforts in the further negotiation of

<sup>157</sup> Retrieved from <https://www.fairtrade.net/issue/mitigating-violations>

<sup>158</sup> See p. 22-24 of <https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

<sup>159</sup> <https://fairtrade-advocacy.org/wp-content/uploads/2020/06/UoG-HRDD-Full-Report-60pp-FINAL-SECURED.pdf>

<sup>160</sup> See for example <https://www.fairtrade.net/news/from-voluntary-to-mandatory-fairtrade-pushes-for-more-human-rights-due-diligence>

this mandatory HRDD directive at EU and member state level<sup>161</sup> and may have an impact (together with partners on rules of HRDD as they end up taking form.

Vis-a-vis corporations, Fairtrade could explore how elements of meaningful due diligence and the interests of producers can consistently play a role in the policies and management of companies that source products from the Fairtrade value chain. “We often see that a company tries to implement HRDD, and formulate a plan without consulting producer organizations on the ground. You need exchange and investments. You cannot just have a plan and include it in the contract, you need to support and have an exchange to implement. It is a contribution to HR risks to say, without changing the prices, we want you to comply with these and these HR things.”<sup>162</sup>

## Step 2 - Identify and Assess adverse impacts in operations, supply chains and business operations

According to the UN Guiding Principles and OECD Due Diligence Guidance<sup>163</sup> the second step of Human Rights Due Diligence relates to identifying and assessing the actual and potential impacts that are most severe and most likely, as well as the company's involvement in those impacts.

In the current research it has become clear that Fairtrade **has insight on sectoral, product, geographic, political and climate change risks in the wide variety of contexts Fairtrade-certified products are produced**. Fairtrade is in a good position to bring insights on risks and the voice of producers to the table as a partner in corporate risk identification and assessments. “[A] key element of HRDD is engagement with stakeholders. Fairtrade has been doing this for years and can play a role in this.”<sup>164</sup> Fairtrade’s strengths lie in the structure of the Fairtrade system in which producers structurally have a voice, the accumulated knowledge of Fairtrade staff, research on producer level-issues and the often long-lasting connections between Fairtrade and producers. “[Fairtrade has] continued contact with the producers throughout the year, in contrast to other initiatives and projects, which are present for a shorter period of time. Throughout the year we have officers for each country, meaning that we are continually in contact with the producer.”<sup>165</sup>

Our research showed, for example, that at Fairtrade Africa and CLAC there is a thorough, contextualized, and nuanced understanding of thorny issues such as child labor, which is indispensable for the HRDD of any corporation that uses or sells products in sectors where child labor is a risk. Similarly, CLAC has been closely following the human rights risks of migrant workers in the banana supply chain in Dominican Republic for years, which is relevant for corporations using or selling bananas or comparable products from this area. “Fairtrade has the voices on the ground and dialogue with producers while companies are lacking this. [For companies] it is very difficult to know what the salient human rights risks are, what the struggles are. What capacities are lacking, where are more investments needed? This exchange can be done through the producer networks”<sup>166</sup>

Fairtrade can play an important role in increasing transparency in supply chains, specifically at producer level, because it is able to identify a broad range of often complex human rights issues in a broad range of sectors. Especially as Fairtrade's data management and disclosure is extended and further developed, the infrastructure of Fairtrade's certification and other interventions can function as a starting point for companies to see where the products in their supply chains originate from and what the related salient human rights issues are. A Fairtrade coffee expert shared that “[Fairtrade] could have effect on transparency in supply chain in coffee. Related to human rights.”<sup>167</sup>

For both the purpose of identification and prioritization, it is important to be realistic about and distinguish between well-known and well-understood risks and lesser known, less visible risks. From the current study, it seems for example

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<sup>161</sup> See for example <https://files.fairtrade.net/Fairtrade-initial-reaction-to-due-diligence-directive.pdf>

<sup>162</sup> Interview 13, international.

<sup>163</sup> See p. 25-28 of <https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

<sup>164</sup> Interview 10, international.

<sup>165</sup> Interview 5, international.

<sup>166</sup> Interview 11, international

<sup>167</sup> Interview 1, international

that at current, Fairtrade's view on hired labor in the SPO context<sup>168</sup> and sexual harassment<sup>169</sup> may be insufficient for an appropriate risk assessment and prioritization of risks. This confirms that at the time of our research, Fairtrade's policies and processes were not sufficient for a comprehensive human rights risk and impact assessment. Companies also should not fully outsource their risk and impact assessment to any sustainability initiative or consultancy, because that cannot result in a meaningful HRDD process.

Furthermore, it is important to note that audits, by themselves, have been shown<sup>170</sup> insufficient to lay bare issues such as sexual harassment, freedom of association and free, prior, and informed consent. An interviewee complemented this finding with a similar concern: "Due diligence has a place but I'm worried that it becomes a CSR 2.0 with a fancier language, if global brands are not talking to local communities and many of them are relying on the same social audits that we know are insufficient."<sup>171</sup> In order to assess these types of human rights themes, organizational expertise and connections with producer-level voices are very important. This means that the Fairtrade system can potentially play an important role in this step of HRDD as long as Fairtrade continues to use audits only as a part of a much wider set of interventions.

Fairtrade shows to be very aware of adverse consequences of low, unfair prices and price fluctuations and this translates well to the focus of HRDD on adverse human rights impacts. However, as shared before, Fairtrade traditionally has had a holistic poverty reduction approach. Human rights language was included in the theory of change, and Fairtrade has focused traditionally to rights linked to fair remuneration, but the focus on other adverse human rights impacts has not been as explicit in Fairtrade strategy and systems. It is important to note that at the time of writing, multiple initiatives to change this were carried out or planned.

Of course, there is an overlap between the goal of Fairtrade interventions and the goal of addressing adverse impacts of economic activity. But if Fairtrade wants to increase HRDD relevance, it is necessary to focus more specifically on adverse impacts. One way to do this is by adapting the standards to better fit HRDD. Fairtrade has already initiated collaboration with the Danish Institute for Human Rights which has identified several shortcomings of the standards and interventions in acting upon adverse impacts from economic actors in the supply chain, as is in line with the HRDD focus. From the current study it is important to carefully assess in what areas Fairtrade can and wants to adapt its systems to be more in line with HRDD, because Fairtrade must be careful not to become a proxy for (other) economic actors' HRDD.

### Step 3 - Cease, Prevent or Mitigate adverse impacts

According to the UN Guiding Principles and OECD Due Diligence Guidance<sup>172</sup> the third step of HRDD relates to making sure that human rights issues (both risks and impacts) are addressed so that negative impacts are ended, prevented or diminished.

From the current research it is clear that Fairtrade has the capacity to contribute to ceasing, preventing and mitigating certain human rights issues. Chapter 4 has shown how Fairtrade's varied set of interventions can contribute positively to human rights. For example, Fairtrade improves incomes of farmers and workers even when living income/living wage is not always achieved. Through this impact towards living wage, Fairtrade mitigates some of the serious threats to income and, thereby, threats to human rights that rely on a (somewhat) adequate income towards a decent standard of living, such as the right to health. Fairtrade can mitigate risks of Child Labor through their Standards<sup>173</sup>, Protection Policy for Children and Vulnerable Adults, but also because of their contribution to a higher household standard of living. In

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<sup>168</sup> As was explained in chapter 4, there is limited view on hired labor in the SPO sector, at least in part because the SPO standard does not apply to farms with less than 10 longer term (at least 1 month) employees.

<sup>169</sup> It follows from our study that the issue of sexual harassment is extremely difficult to gain transparency on.

<sup>170</sup> Claudia Müller-Hoff/ECCHR (2021) Human rights fitness of the auditing and certification industry?

A cross-sectoral analysis of current challenges and possible responses. ECCHR, Brot für die Welt and MISEREOR. Retrieved from: [https://www.ecchr.eu/fileadmin/Publikationen/ECCHR\\_BfW\\_MIS\\_AUDITS\\_EN.pdf](https://www.ecchr.eu/fileadmin/Publikationen/ECCHR_BfW_MIS_AUDITS_EN.pdf)

<sup>171</sup> interview 7, international

<sup>172</sup> See p. 29-31 of <https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

<sup>173</sup> If FLOCERT, the Fairtrade auditor, identifies child labour during an audit, it requires corrective measures. Typically, a policy and an action plan or programme to facilitate the remediation of the identified case and to mitigate the risk of further cases. If the corrective measures are not fulfilled, the organization is decertified.



addition, Fairtrade has a potential mitigating effect by encouraging authorities to act on human rights abuse. Especially when Fairtrade has a large market share in a particular country, they have leverage. Considering how much human rights issues are linked to systemic problems (such as unequal power relations), changing policy is the best Fairtrade can do: changes for the whole sector instead of stimulating pockets of change. Examples have included influencing migrant policies in the DR, advocating for different legislation on child labor and hazardous work, and shifting power relations in the coffee sector in Peru through collaboration and the Junta Nacional del Café.

Generally speaking, Fairtrade can potentially mitigate some of the risks related to the exploitative tendencies in agricultural sectors, such as child labor, forced labor and (gender) discrimination. However, there are clearly important limits, which predominantly lie in structural limitations and resource limitations. Structural limitations relate to legislation and socio-cultural factors that Fairtrade cannot realistically impact, as described in chapter 4. Resource limitations relate to limited resources available in the Fairtrade System. Finally, there are limitations to the Standards themselves.

The field study already identified how for example the SPO Standard does not cover hired labor in the SPO context for small farms, where a lot of the potential human rights risks are situated. Fairtrade should be aware of gaps that remain even if the Standards are adapted to be more in line with HRDD. For example, the Trader Standard only require “awareness on” instead of “compliance with” e.g., labor conditions. In addition, in order to ‘pass’ the audit a trader company needs to score a 3 out of 5 on compliance criteria, while for some parts of the Standard, only 5 would mitigate the risks.<sup>174</sup> Even when there are hints of violations on labor law, the company is found to be compliant, which is not in line with human rights due diligence. When sufficient compliance with standards does not cover all relevant human rights risks in the supply chain, that means that the Standard, by itself, cannot meet the level that is needed for meaning HRDD.

Considering the above-mentioned limitations, Fairtrade needs to be careful about how they present themselves in being able to play a role in this step of HRDD, exactly because their resources are already stretched. They cannot take over all efforts to cease, prevent or mitigate adverse impacts of business activities for corporations that need to conduct HRDD. What they can do is be a partner in upscaling those interventions that considerably contribute to mitigating adverse human rights impacts, tailored to the specific context in which they take place.

Importantly, Fairtrade can help mitigate the risk of ‘cut and run’ (leaving the business relationship immediately after adverse human rights impacts have come up) which is a practice that might become a more salient human rights risk, in and of itself, in a future where HRDD obligations become more stringent. How can they do this? By for example playing a role in explaining that cut and run is against the UNGPs and invokes new HR risks. Fairtrade can also make use of the leverage it has to potential cut and runners. “We see that we have some leverage in the North and we see this as our responsibility because POs do not have a voice. We are the link”<sup>175</sup>

It is noted that Fairtrade walks a fine line which is often difficult to balance, as demonstrated by the following quotes: “We can only exist if we have the link with companies in the North, otherwise there is no revenue and no minimum price.”<sup>176</sup> and “at the moment, the pendulum swings a bit too much because producer organizations are so afraid of cut and run. But if we do not do anything [on the topic of HRDD], businesses will also go away<sup>177</sup>”, to search for other solutions to implement HRDD, perhaps even without Fairtrade certifications.

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<sup>174</sup> A full review of the Trader Standard is under way.

<sup>175</sup> interview 13 international

<sup>176</sup> interview 13 international

<sup>177</sup> interview 6



#### Step 4 - Track implementation and results

According to the UN Guiding Principles and OECD Due Diligence Guidance<sup>178</sup>, the fourth step of HRDD is related to tracking effectiveness of HRDD activities and identifying potential new risks.

The current research has shown that there are some tracking and monitoring elements to Fairtrade interventions but that these only cover parts of relevant human rights and that blind spots exist. In addition, FLOCERT audits cannot take over the tracking responsibility of corporations' HRDD process, because audits also do not cover all relevant human rights risks and because audit capacity is too limited for this purpose (see step 2).

Fairtrade's capacity to potentially contribute to tracking effectiveness of HRDD activities lies in assisting with identifying new risks and previously overlooked risks. This capacity is related to the strengths of Fairtrade already discussed at step 2, where it was explained how Fairtrade is in a good position to bring insights on risks and the voice of producers to the table as a partner. One informant clarified the role of Fairtrade in comparison to other certifiers in this regard: Other certifiers "do not know their farmers or [POs] employees, they don't do the local work. They [...] do not have representation. Fairtrade does have representation, through 26 local organizations, 3 producer organization and people that really work in the sector. Commercially, this makes no sense, but there is representation. Producer organizations have 50% of the votes in the Fairtrade organization."<sup>179</sup> Again, however, it is important for Fairtrade to be realistic about and distinguish between well-known and well understood risks and lesser known, less visible risks. In addition, as shared before, Fairtrade was created with a holistic poverty reduction approach, focus on *adverse* human rights impacts has not been *explicitly* part of the Fairtrade strategy and systems. This should also be kept in mind for determining Fairtrade's role in tracking of implementation of results.

#### Step 5 - Communicate how impacts are addressed

According to the UN Guiding Principles and OECD Due Diligence Guidance<sup>180</sup> the fifth step of HRDD relates to communicating externally relevant information on due diligence policies, processes, activities conducted to identify and address actual or potential adverse impacts, including the findings and outcomes of those activities. External communication should make the increased transparency caused by due diligence processes available to stakeholders such as consumers and NGOs, but also to (prospective) business relations.

Fairtrade can encourage retailers, manufacturers and brands to communicate about their HRDD and make regular and accessible public statements. Also, Fairtrade can invest in sharing more tailored, frequent, and detailed information, data, and analysis to companies about the risks and interventions in their Fairtrade certified supply chains, as already suggested under earlier steps. However, Fairtrade is not in the position to communicate to the broader public about how retailers, manufacturers and brands are doing on HRDD. Referring to chapter 2, in step 5 of HRDD Fairtrade can best put on their 'NGO Hat' (and not their 'commercial hat'), to avoid taking over this responsibility. And more importantly, because Fairtrade's business relation with retailers, manufacturers and brands does not allow for a very critical stance towards their HRDD which makes fair and sincere communication impossible.

Nevertheless, in order to drive HRDD among retailers, manufacturers and brands, Fairtrade can continue and expand its communication about their own HRDD process. By modelling what communication on meaningful HRDD can look like, Fairtrade can potentially play an exemplary leader role in this step.

#### Step 6 - Provide for or cooperate in remediation when appropriate

According to the UN Guiding Principles and OECD Due Diligence Guidance<sup>181</sup> the sixth step is related to providing or cooperating in remediation after a company has identified that it has caused or contributed to actual adverse impacts.

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<sup>178</sup> See p. 32 of <https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

<sup>179</sup> interview 2 international

<sup>180</sup> See p. 33 of <https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

<sup>181</sup> See p. 33 of <https://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>

The UN Guiding Principles cites for example for the following forms of remedy: Apologies; Restitution; Rehabilitation; Financial and non-financial compensation; Punitive sanctions; and Prevention of harm.<sup>182</sup>

Remediation is relevant for cases that came to the surface in which serious negative human rights impacts occur. Fairtrade has a supporting role here: Fairtrade can contribute to empowering workers and farmers to raise their voice about adverse human rights impacts. Initiatives like Fairtrade have a presence on the ground and often find out about issues by discussion and observation. In our findings in Colombia, it also became clear that people are more comfortable complaining through informal discussion with people around the plantation, rather than the official complaints route. Fairtrade has the potential to provide part of infrastructure for engagement with impacted rights holders, for example, through its community-based monitoring and remediation system related to child labor, women's rights, and forced labor. In this regard they can potentially play a big role in providing the view of those on the ground communicating problems from producer level to Fairtrade (this fits well within step 2 and 4, monitoring and tracking).

In addition, through its Standard Operating Procedures, FLOCERT receives and processes allegations submitted by any party against operators holding a Fairtrade certificate. However, due to the limited focus of standards on human rights and the limits that accompany auditor effectiveness overall (capacity etc) questions come up about whether FLOCERT can play an effective role in remediation. One interviewee it as follows: "There is now a new grievance system at FLOCERT and if done properly [this] could be very helpful, when it is effectively communicated, has strong anti-retaliation processes in place and when remediation would actually work, changing the practice of that certified entity. This thus require a feedback loop and more scrutinization going forward. [...] The new grievance mechanism has a lot of promise but needs to develop a track record."<sup>183</sup> it is encouraging to see that FLOCERT has made an effort to make it easier to file complaints, for example to launch WhatsApp for allegations.<sup>184</sup>

However, the position of FLOCERT (as well as all auditing companies) is additionally fundamentally problematic because of its conflicting incentives. On the one hand, Fairtrade certified cooperatives and retailers provide the incentive to stay certified and on the other hand Fairtrade wants the audit to have an enforcing power to ensure compliance. This is in line with our assertion that auditors are not fit for purpose<sup>185</sup> for HRDD overall, and therefore also their role in remediation should not be overstated.

Finally, it is important to reiterate that producers can and should not be responsible for the cost of remediation: Fairtrade can play an important role in communicating this message to the public and its certified manufacturers, brands and retailers. In line with this notion, Fairtrade can contribute to the implementation of what we have termed 'meaningful HRDD' with a focus on long term relationships focused on transformative change. As one Fairtrade staff member puts it: "As the first steps, large retailers, manufacturers and traders need to move away from merely transactional relationships with their suppliers. Producers need partners who make medium to long-term purchasing commitments and do not "cut and run" when – not if – a human rights grievance needs addressing."<sup>186</sup>

## 6. Conclusions

The position that Fairtrade is in creates somewhat of a Catch 22. Vis à vis producers a Fairtrade push for meaningful HRDD may eat into profits of producers (which is against Fairtrade's core business of promoting a better income), for example because of compliance and monitoring costs. Vis à vis commercial actor, such as retailers, traders and manufacturers, a push for meaningful HRDD may risk losing volume and market share, especially in competition with other certifications, which in turn can affect the fair price of producers as well. As one respondent puts it: "Fairtrade

<sup>182</sup> See UNGP 25, [https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf)

<sup>183</sup> Interviewee 6, international

<sup>184</sup> <https://www.flocert.net/flocert-launches-whatsapp-for-allegations/>

<sup>185</sup> ECCHR (2021). [https://www.ecchr.eu/fileadmin/Publikationen/ECCHR\\_BfDW\\_MIS\\_AUDITS\\_EN.pdf](https://www.ecchr.eu/fileadmin/Publikationen/ECCHR_BfDW_MIS_AUDITS_EN.pdf)

<sup>186</sup> <https://www.fairtrade.net/issue/access-to-remedy>

does not want to take a stance because we don't want to lose clients. [Therefore] we are not taken seriously [by all actors in the advocacy arena. We are not willing to push big players. We need to make a decision on this or continue to be the middleman.”<sup>187</sup> Throughout the report, based on our findings and reviews of external research, we have argued that the role of Fairtrade should be clear, modest and fair. It needs to be clear that taking adequate measures will always be the responsibility of the company responsible for HRDD, as there are structural deficiencies and gaps in certification and audit processes, particularly regarding the spectrum of human rights.

Our research has shown that there is an actual and potential place for Fairtrade in human rights due diligence processes as a partner, at least in the banana and coffee sector.<sup>188</sup> We see Fairtrade as a valuable partner in various steps of HRDD, but see a risk in Fairtrade taking on too much in the HRDD of companies. The evidence suggests that Fairtrade's interventions and infrastructure appears fit for providing highly contextualized action tailored to specific vulnerabilities. They show a degree of flexibility that could potentially respond to salient issues upstream in supply chains, as is central to HRDD. The most important ingredients of this capacity include that Fairtrade Producer Organizations and Fairtrade staff are well informed on the salient issues that are relevant, and often have long lasting relations with producers and stakeholders. Therefore, Fairtrade has the potential to give its members a 'head start' into making the issues in the chain more visible and contextualized, which is a starting point for meaningful HRDD.

## 7. Recommendations

In this chapter we give specific recommendation on how Fairtrade can improve its position as a partner in HRDD.

1. **Explicitly present yourself as a partner in HRDD**, devise a strategy on what you do and do not want to do in HRDD and communicate this externally. “Companies’ HRDD cannot be outsourced”. Explain why you chose this position, with the commitment to meaningful human rights due diligence. We concur with the conclusion drawn by ECCHR which reads: “There should be no safe harbors for companies that outsource their human rights due diligence to certifiers and auditors”<sup>189</sup>
2. Discuss whether and **where it makes sense to prioritize certain strategies and resource allocation** towards existing interventions. More specifically, producer networks, along with FI and selected national Fairtrade organizations can think about which interventions could be expanded or intensified to increase impact in different human rights domains, keeping in mind that for HRDD, impacts related to economic activity and economic actors (rather than the general human rights issue in a country) are the focus. Alongside your flagship interventions such as Standards, Premium and Minimum Price), the prioritization of ‘other’ interventions could be based on those groups that are most vulnerable in each context. In prioritizing keep in mind where power relations can truly be shifted: this will differ per country and context but is central to transformational change from a human rights perspective.
  - a) As part of prioritizing and allocating resources, **discuss where advocacy towards government (entities) can contribute to more impact on the most salient human rights.**
  - b) As part of prioritizing and allocating resources, **discuss where partnerships with organizations dedicated to specific human rights areas** (such as: Labor Rights or Gender Based Violence) **are useful**, not only in terms of joint action but also in terms of knowledge-sharing.
3. Finding out about human rights risks and impacts **in many cases can only be done using labor intensive research methods, which should be explored by Fairtrade for their human rights due diligence partnership strategy.** For example, finding out about child labor and sexual harassment requires trust and an informal environment that most

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<sup>187</sup> interview 1, international

<sup>188</sup> The human rights risks in other sectors such as palm oil, were not considered in this study: for example FPIC, land tenure issues and retaliation against human rights defenders. The team therefore does not feel comfortable to generalize these conclusions too much to other sectors which were not studied extensively.

<sup>189</sup> ECCHR (2021). [https://www.ecchr.eu/fileadmin/Publikationen/ECCHR\\_BfDW\\_MIS\\_AUDITS\\_EN.pdf](https://www.ecchr.eu/fileadmin/Publikationen/ECCHR_BfDW_MIS_AUDITS_EN.pdf)

times cannot be achieved through audits or a study similar to this one. However, we noticed that one method applied by our Colombian team in the banana sector (“banana plantation ecosystems mapping” and the workshop “the narrative of my plantation”) included an approach that demonstrated the power relations between workers and management, and which gave important insight and context on power imbalances at this plantation.

4. **Create a pool of external experts on the different salient human rights issues** to be able to offer more assistance in identifying and tracking human rights risks in the HRDD processes (for example to be able to employ the relatively labor-intensive methods described above). This group needs to be in close contact with the Fairtrade staff on the ground (the producer networks). However, we have noticed that producer networks are currently overburdened and cannot always fully respond to the requests of, for example, external researchers. Therefore, a pool of experts that aids HRDD processes needs to be complemented by a few internal designated experts for whom ‘HRDD-partnership’ is their core job, and not an add-on.
5. Importantly, Fairtrade needs to find a structure to ensure that human rights **due diligence partnership costs are (at least partially) funded by commercial actors**, considering Fairtrade’s limited resources and to prevent and counter the ‘trickling down’ of these costs to the producer level. Such a structure can do justice to the original ‘Robin Hood signature’ in the new context of human rights due diligence, so that companies pay a fair price for what they need. This needs to be a central part of the positioning of Fairtrade. To avoid the issue of competing interests that have been identified in the auditing space, dissemination of funds can be done via a joint trust fund (a separately administered fund to pool direct payments) to pay for example the pool of experts as in the previous recommendation.
6. Fairtrade and the HRDD expert group can use the findings in chapter 5 to identify and clarify the position they want to take towards HRDD **and solidify this position in internal communication**. We recommend producing, for example, an (internal) guide or ‘code of conduct’ on Fairtrade activity and HRDD which would identify all key areas of Fairtrade’s activity that link to HRDD of companies and make sure the entire organization (‘the Fairtrade system’) is aligned on what Fairtrade will and will not do in this regard and communicates similarly on this with external parties and with commercial actors.
7. **Market the unique qualities that you have as a partner in human rights due diligence** namely: deep knowledge on the ground and durable connections with producer level (SPOs and HLOs). “Fairtrade has the voices on the ground and dialogue with producers while companies are lacking this. [For companies] it is very difficult to know what the salient human risks are or what the struggles are. Things such as what capacities are lacking or where more investments are needed. This exchange can be done through the producer networks.”<sup>190</sup>
8. **Realize that complementarity with other certification may be more beneficial to the process** of HRDD than competing on HRDD relevance. In the HRDD space any certifier, by definition, can only play a limited role. Therefore, despite the consideration Fairtrade might have in competition with other certifications (vis-a-vis brands and retailers) the focus should be on complementation and combining focus areas in order to contribute to the vast field of corporate HRDD. In our view, none of the certifiers should play a very substantial role in HRDD and we recommend that you align messaging with other certifiers on this position and communicate this jointly externally. As HRDD regulation is taking shape, there is a hot debate about the role of certifiers with many in the field of certification advocating for a limited role. For example, in the area of deforestation 30 NGOs have recently signed a call for decreasing the role of certifiers in EU anti-deforestation regulation.<sup>191</sup> Even some certifiers have shown support for this.

<sup>190</sup> This came out of interview 11, international, among others

<sup>191</sup> See: [https://en.milieudefensie.nl/news/10-reasons-why-certification-should-not-be-promoted\\_june-2022.pdf](https://en.milieudefensie.nl/news/10-reasons-why-certification-should-not-be-promoted_june-2022.pdf)

9. **Continue to ask external support by experts on HRDD on your HRDD partnership strategy and set up periodical external support sessions**, both in the development stage and in review and revision in the future. HRDD is a new development that is still moving towards the position it will have in the next decades. This is challenging but also provides opportunities to, for example, be an advocate of meaningful HRDD, work that Fairtrade advocacy offices have already started. By asking feedback on your strategy from experts outside of the Fairtrade organization, you are better able to balance the pressures that may exist within Fairtrade to take a bigger role in HRDD and go along with requests from commercial actors, with an outside view from experts with a certain level of authority because of (academic) expertise and/or a track record in the sector/discussion on HRDD.

## Annex A: Outcome Harvesting & Methodology

In this annex, we provide the sub questions and an in-depth explanation of the steps of Outcome Harvesting, which formed our approach for this study. The Outcome Harvesting approach consists of 6 steps that can be adopted for the purposes of the specific study that is carried out. Moreover, we provide additional information on the methodology.

Objective	Primary Research Question
Scoping	<ol style="list-style-type: none"> <li>1. What are all interventions of Fairtrade in the focus countries that are relevant for banana and coffee supply chains?</li> </ol> <p>Interventions include:</p> <ul style="list-style-type: none"> <li>- Fairtrade Standards including Minimum Price &amp; Premium</li> <li>- Projects and Programmes</li> <li>- Advocacy</li> </ul>
Human Rights Impacts (OH)	<ol style="list-style-type: none"> <li>2. What are the (adverse and positive) human impacts on rights holders in the Fairtrade-certified coffee and banana supply chains in Ethiopia, Colombia and Dominican Republic in five domains?</li> </ol> <p>Domains include: Living Income, Working Conditions, Freedom of Association, Child Labor and Forced Labor and Discrimination &amp; Women's Rights.</p>
Role of Interventions (OH)	<ol style="list-style-type: none"> <li>3. What role do interventions play in contributing to positive human rights impacts or preventing adverse human rights impacts identified in the banana and coffee supply chains in Ethiopia, Colombia and the Dominican Republic? <ol style="list-style-type: none"> <li>a. Where do interventions have <i>positive</i> relationships with these impacts? These can include direct or very plausible indirect relationships through, for example, raised farmer incomes or income security.</li> <li>b. Where do interventions have <i>adverse</i> relationships with these impacts?</li> <li>c. Where is there <i>no relationship</i> between impacts and interventions? What is impact attributed to in those cases? What is the role of poverty?</li> </ol> </li> </ol>
Parallel Question Grievance mechanisms (OH)	<ol style="list-style-type: none"> <li>4. Are there company-level grievance mechanisms (GMs) at (a selection of TBD) Fairtrade certified HLOs?</li> <li>5. Are they aligned with our 3.5.27 HLO Standard (and/or the UNGP 31) and do they work for rights holders? <ol style="list-style-type: none"> <li>a. Include aspects such as 1) awareness &amp; accessibility (general/vulnerable workers (incl. trust, privacy and safety); 2) equitable dialogue-based and rights-compatible process and outcomes; 3) timely and transparent process and remedy; 4) being a source of continuous learning.</li> <li>b. What do we know about the numbers of workers (by gender) using workplace level grievance mechanisms in Fairtrade certified HLOs and what do we know about the number of grievances that reached a solution that was satisfactory to the worker?</li> <li>c. Is the current approach to verification of 3.5.27 supporting effective implementation?</li> </ol> </li> <li>6. Do Fairtrade interventions affect how grievance mechanisms work or do not work for rights holders?</li> <li>7. Are there any differences between the strength of GMs in unionized and non-unionized HLOs? (We will base this on qualitative evidence, a quantitative comparison cannot be made in the proposed budget)</li> <li>8. What are recommendations for strengthening Fairtrade's GM criteria for HLOs, implementation of the current requirement by the HLOs, verification by FLOCERT or related producer support by the Producer Networks?</li> </ol>
HRDD Relevance & Recommendations	<ol style="list-style-type: none"> <li>9. Based on the analysis, what are the most HRDD-relevant interventions in the banana and coffee supply chains in Ethiopia, Colombia and Dominican Republic?</li> </ol>

	10. How do Fairtrade Instruments and their impacts compare to other certification systems along similar Supply Chains? 11. What are recommendations to improve the HRDD-relevance of Fairtrade interventions?
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Table 1. *Research Questions.*

Outcome Harvesting collects (“harvests”) evidence of what has changed (“outcomes”) and then, working backward, determines whether and how an intervention has contributed to these changes. Information is collected or “harvested” using a range of methods to yield evidence-based answers to useful, actionable questions (“harvesting questions”). Outcome harvesting is recommended when focus is primarily on outcomes (rather than activities) and the purpose is evaluation. It can serve to track the changes in social actors influenced by an intervention, which is a key component of measuring human rights compliance in the supply chain. It is designed to support learning about those achievements. It is also specifically useful in contexts where the relations cannot easily be seen as cause and effect because they are complex and multiple actions and actors influence changes. In 2013, the Evaluation Office of the United Nations Development Program (UNDP) selected Outcome Harvesting as one of eleven promising innovations in monitoring and evaluation practice. In addition, the World Bank Institute has listed the approach listed amongst its resources for internal monitoring and evaluation.

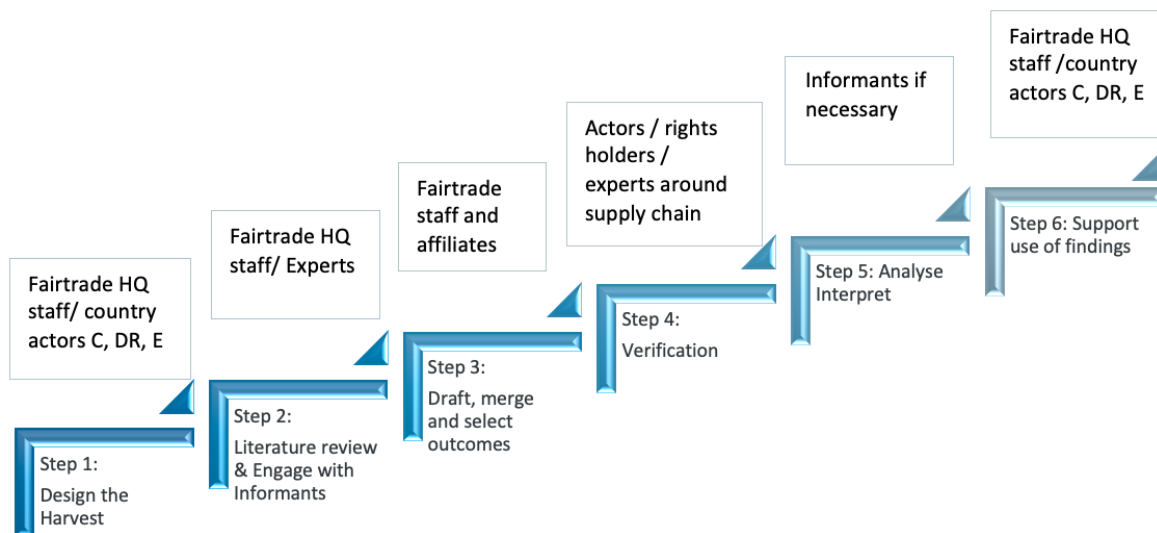
- The Team chose this approach because of several features of outcome harvesting that match Fairtrade’s objective;
- Fairtrade is looking for information on its **contributions to change on human rights** and a primary aim is to learn about change in order to improve future performance;
  - The situation is **complex**: the relationship between cause and effect is not fully understood and many different actors influence change (including e.g., national human rights and development policies);
  - The focus of the current study is mostly on **outcomes** rather than activities or outputs. It puts focus on what is achieved;
  - Outcome harvesting is particularly effective at addressing also **unintended outcomes**, as it treats all outcomes equally, rather than concentrating primarily on planned change.

A highly **participatory process** is a necessity for a successful Outcome Harvesting process and product. “The harvesters”, in this case the Evaluators, are designated to lead the Outcome Harvesting process. The Evaluators facilitate and support appropriate participation and ensure that the data are credible, the criteria and standards to analyze the evidence are rigorous, and, the methods of synthesis and interpretation are solid.

“Harvest users” are organizations, in this case Fairtrade, requiring the findings to make decisions or take action. They should be engaged throughout the process. Fairtrade must be involved in making decisions about the design of the approach as both the process and the outcomes unfold. The Harvesters/Evaluators also need to engage “Informants” who are knowledgeable about what the intervention has achieved and how, and who are willing to share, for the record, what they know. Field staff or others who are positioned “closest to the action” tend to be the best informants.

Figure 1 presents an overview of the different steps of the Outcome Harvesting Approach and the different actors that will be involved at each stage for the purpose of this study. Step 1 – Step 3 were part of Phase 1 of the study. Phase 3-6 are part of phase 2. The following section goes through each step in more detail.





C = Colombia; DR: Dominican Republic; E = Ethiopia

Figure 1. *The six steps of outcome harvesting in this study.*

## Step 1: Designing the Harvest

During the Preparation phase, the Team focused on *scoping*, through **desk research and interviews with Fairtrade staff (remotely)**. We took stock of HRDD-relevant interventions by Fairtrade. We Studied the key Fairtrade interventions such as the various standards, minimum price, and premiums. We also did some preliminary research on the relation between poverty and human rights, particularly how poverty can relate to living wage and human rights impacts in other domains. In addition, we finetuned and adapted the initial research questions in order to streamline the knowledge need of Fairtrade, the approach, and a better understanding of human rights due diligence-relevance.

## Step 2: Review Documentation and engage with key informants

In the second step, the Team reviewed reports, evaluations, press releases, data, and any other material on file to identify evidence of potential human rights-related outcomes to which Fairtrade's interventions may have contributed. This way, we focused the research on concrete human rights impacts, rather than loosely defined human rights domains on which no or very little evidence could be identified. In short, the Team reviewed documentation and engaged with key informants looking for indications of impacts that could fall under one or more of the five focus domains: living income/wage, working conditions, freedom of association, child labor/forced labor and women's rights & freedom from discrimination.

Data was gathered from different sources, including different actors, experts, and Fairtrade partners. During step 2, some 70 academic publications, Fairtrade impact studies, NGO reports and other relevant types of documentation and some 105 interviews with Fairtrade staff, Fairtrade Africa (FTA) and Latin American and Caribbean Network of Fair-Trade Small Producers and Workers (CLAC) staff, NGO experts and researchers were analyzed.

Building on this wide set of data sources, the Team crafted an initial description of outcomes<sup>192</sup> for which the contribution of Fairtrade interventions was to be assessed. These descriptions range in length and levels of detail,

<sup>192</sup> An outcome refers to a description of positive, negative and lack of human rights impacts that describe specific changes in the enjoyment of human rights and/or power relations in the three countries and five domains that this study focuses on.

ranging from single sentences to multiple pages. However, the descriptions of outcomes are as specific and measurable as possible, based on the available information. Importantly, the outcomes are relevant to the reduction of human rights violations and/or the improvement of human rights.

### Step 3: Draft, Merge and Select Outcomes

To review information extracted from documentation and the draft Outcome Descriptions developed under step 2, the Team then merged and edited the harvested outcome descriptions to finalize the pool of all harvested outcomes. This was done to double-check the human rights-relevance of the outcomes, prevent overlap between outcomes and make sure that the outcomes were sufficiently substantial and understandable and verifiable.

Then, we moved to the selection of outcomes to be verified by the local research teams in Colombia, Ethiopia, and the Dominican Republic, in step 4 (see below).

in step 4 were selected. Please note that the broader pool of 102 outcomes is also used for the final report: the selection is a selection for 'deep dives'.

Selection of outcomes to be verified was based on the following principles for inclusion into the selection: inclusion principles:

- Prioritizing the most salient human rights risk for each supply chain
  - o For coffee: Child Labor, Gender, Living income)
  - o For banana: working conditions, gender and discrimination, Freedom of Association
- Prioritizing outcomes that focus on change(s) in power relations
- Prioritizing outcomes from contextualized and in-depth reports (as opposed to more simple differences/correlations)
- Prioritized more recent findings to prevent verifying changes that are no longer relevant

Additionally, we used the following exclusion principles:

- Outcomes that consist of human rights impacts that have already been studied extensively, with high level of confirmation, were not selected because we are not replicating existing research.
- Outcomes exclusively based on general poverty indicators were not selected because our focus is on human rights impacts.

Finally, we attempted to select outcomes spread over all of the most salient issues and outcomes related to various types of interventions.

The study will focus on transformative change (including true change in power relations), looking at where transformative change has occurred (impact), where it has not been achieved (lack of impact), where Fairtrade's interventions have become linked to negative human rights impacts. The focus is not on 'tick-the box'-HRDD but, instead, on meaningful HRDD

For selected outcomes for this study see Annex A. Out of the initial 102 outcomes, the drafting and merging phase resulted in 72 outcomes, pre-selection. From these, 29 outcomes were selected based on the principles above. Three of these outcomes are relevant for more than one country or supply chain, leading to 32 verifiable outcomes in total. The selected outcomes were discussed in a workshop on 22 July 2021 in which Fairtrade region managers, coffee, and banana specialists (including product managers), MEL-staff, Social Compliance and Risk Managers from CLAC and FTA participated. In addition, some members of the Fairtrade HRDD working Group, Fairtrade Global Impact and a Fairtrade specialist on Workers' rights participated in the workshop. The information from this workshop was analyzed and used to finalize Outcome Descriptions and make a start with the preparation of outcome verification.

Below, you find an overview of all outcomes and the outcomes that were selected in the July 2021 workshops.

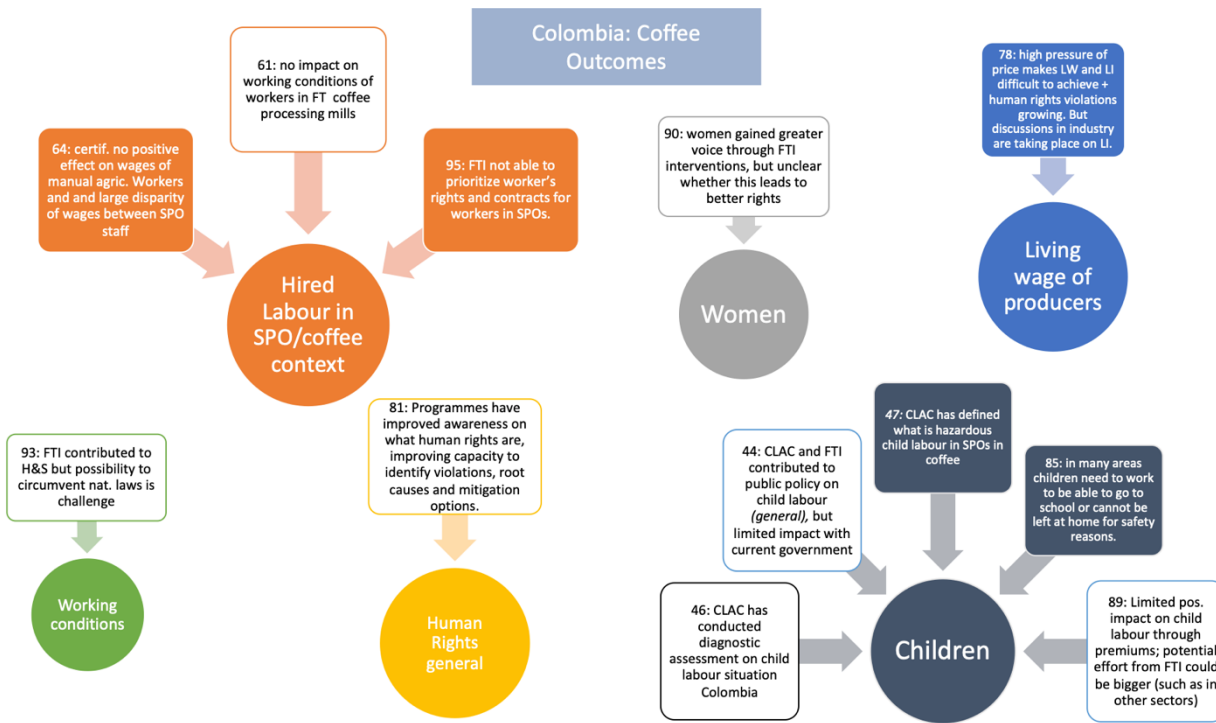


Figure A1. Colombia Coffee. Outcomes with a white background were selected (in collaboration with Fairtrade).



Figure A2. Ethiopia Coffee. Outcomes with a white background were selected (in collaboration with Fairtrade).

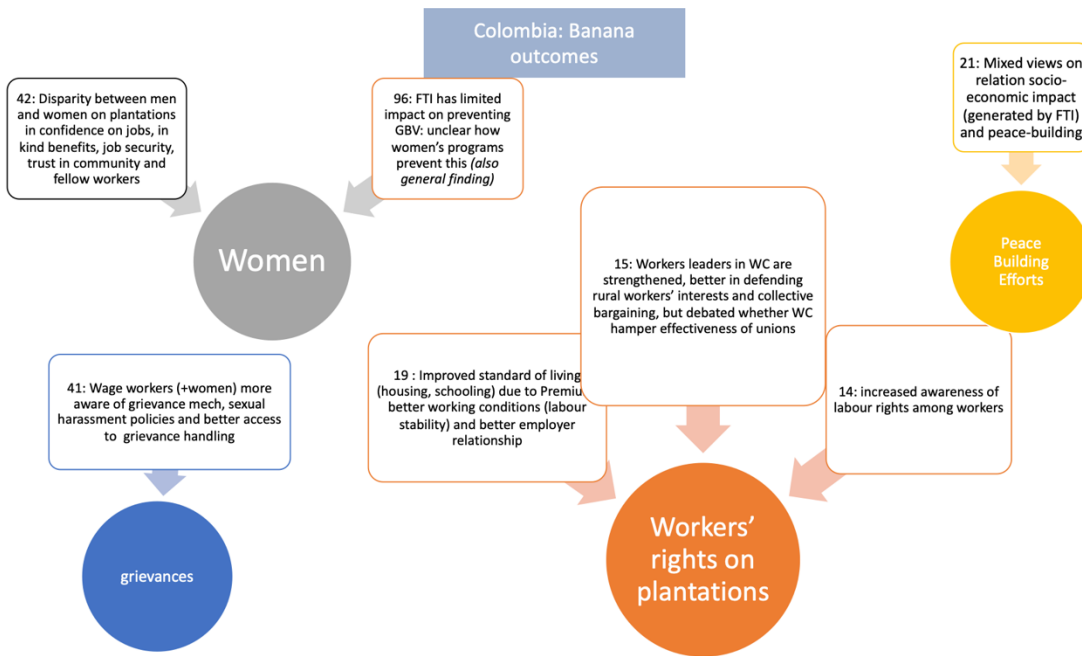


Figure A3. Colombia Banana. Outcomes with a white background were selected (in collaboration with Fairtrade).

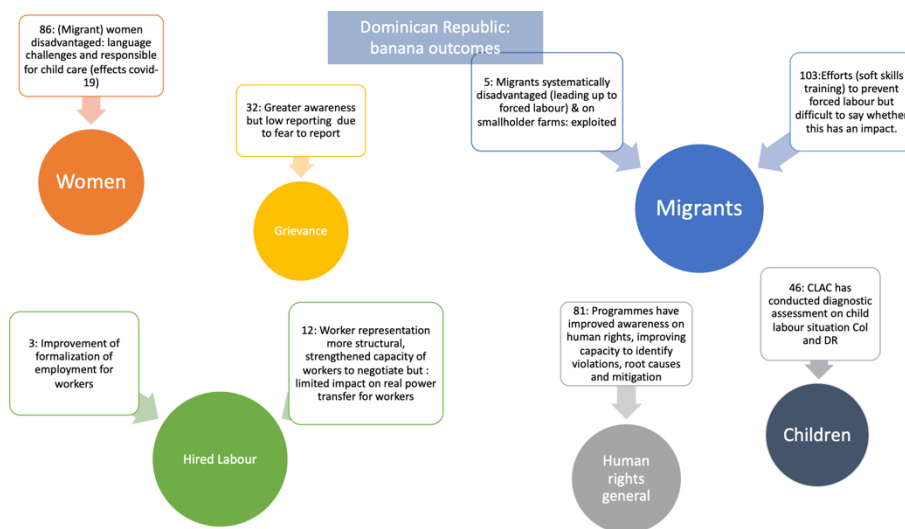


Figure A4. Dominican Republic Banana. Outcomes with a white background were selected (in collaboration with Fairtrade).

#### Step 4: Verify Outcome Descriptions

In the fourth step, we substantiated and verified the understanding of the change that has occurred (human rights impacts to which Fairtrade is related and how Fairtrade is connected to this change). Rather than accepting the outcome descriptions provided in step two and three, additional data will be collected on all selected outcomes. The goal of this step is to confirm, falsify and nuance (parts of) these outcomes.

Verification was done by local research teams after a comprehensive briefing by the Team. Local teams received the outcomes they needed to verify with some guiding questions<sup>193</sup> that focused on 1) aspects of the outcome that were deemed especially important based on interactions with Fairtrade and 2) the impact of Fairtrade interventions (which ones and how they relate to other contributions to the change described in the outcomes. To verify the descriptions, the local teams approach **individuals who are independent of, but know about, the outcomes and the change interventions**, such as workers, farmers, and other actors around the supply chain. Initial substantiators (and substantiator communities) are recommended by Fairtrade informants, via CLAC and Fairtrade Africa. Instructions to the teams included the principle of triangulation, meaning that at least 3 independent sources need to be used to verify or falsify an outcome.

In addition to establishing the truth and validity of the Outcome Descriptions, this step provided a richer understanding of how Fairtrade interventions impacted human rights (violations), how outcomes relate to one another and information that falls beyond the scope of the outcome.

### Step 5: Analyze and Interpret

Finally, the validated outcome descriptions are analyzed and interpreted both as individual outcomes and in conjunction. From the individual outcomes, contextualized information can provide general conclusions on the relevance of Fairtrade's interventions in those contexts. The analyzed results of outcome verification ended up in chapter 4, on the human rights impact of fairtrade interventions in the coffee and banana contexts of Colombia, Ethiopia, and Dominican Republic.

Subsequently, the results from the validated outcome descriptions were analyzed as input for Fairtrade's and Fairtrade interventions' relevance in chapter 5. As such the results from the outcome harvesting are used on two levels, informing human rights impacts per se, and informing the roles Fairtrade can (and cannot or should not) play in Human Rights Due Diligence.

### Step 6: Support use of findings

The final step is to support the use of the findings. A first step of supporting use of findings, was conducting learning and validation workshops with Fairtrade (FTI, CLAC, FA) and a number of producer-level participants (such as coffee union leaders). This process clarified and deepened some of the findings, added some valuable insights (such as, for example, on the issue of not always being able to distinguish between Fairtrade and cooperative-level activities and impacts) and overall confirmed most of our conclusions. The final report was written in a way that we feel supports the use of our findings. Consider, for example,

1. Using the summaries of each context in chapter 4
2. Using the 'beyond the scope' part to organize discussions to whether the issues discussed there are indeed beyond the scope of Fairtrade in terms of 1) Fairtrade's mission and vision and Theory of Change; 2) the resources that are available to create impacts.
  - a) In our view it is important to discuss, considering HRDD developments, whether and where it makes sense to prioritize certain focus points (or desired impacts) over others. More specifically, Fairtrade organizations, along with FTI, can think about which interventions could be expanded or intensified to increase impact in different human rights domains, keeping in mind that for HRDD, impacts related to economic activity (rather than the general human rights issue in a country) are the focus.
3. FTI and in particular the HRDD team can use the findings in chapter 5 to clarify the position they want to take towards HRDD and solidify this position in internal communication and, for example, an (internal) guide on Fairtrade activity and HRDD which includes all key areas of Fairtrade's activity that links to HRDD.
4. FTI can use the findings of chapter 5 to support their communication on their position vis-a-vis other actors on human rights due diligence.

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<sup>193</sup> In Annex B, examples of such research questions are marked in **bold green**.

Furthermore, as part of the approach, it would be very useful for Fairtrade to create or co-create other learning products that are easily accessible for those that may be able to use them. Our suggestions would be to explore the options of a podcast, infographics, and other visual materials.

## Implementation

### *Document analysis and Interviews to draft potential outcomes*

These included at the least:

- A selection of Fairtrade documentation on Fairtrade Standards including Trader Standard, SPO Standard and HLO Standard, and the product standards (fresh fruit standard and a coffee standard.)
- Documentation on Fairtrade interventions.
- Reports of local NGOs, local governments, and local researchers to support the human rights outcome findings.
- Other Documentation, such as for example documentation on other certification schemes for coffee and banana in the focus countries and general documentation on Human Rights Due Diligence

The initial selection of key informants was made in close collaboration with Fairtrade with a focus on informants that know about human rights impacts at producer level.

### *Note on audit data*

In earlier stages, we have considered using aggregate data sets produced by FLOCERT to answer parts of the research questions. As we looked at the data and the research took more form, we concluded that using FLOCERT data for this report would not have additional value.

- Ineffective at capturing human rights abuses
- The way the data is organized makes it difficult (if not impossible) to conduct meaningful analyses for the purposes of this study.

### *Recruitment and briefing of local teams*

Important aspects of the study were carried out by local research teams in Colombia, Dominican Republic, and Ethiopia. This decision was mostly forced by the restrictions under the current covid-19 pandemic but also helped us to make use of local expertise for each of the countries.

For each outcome we drafted a number of verification questions that will guide the local research team to address all essential elements of the outcomes and include focus points identified by Fairtrade and the Lead Team. In other words, these verification questions will assist the deep dive into selected outcomes and thereby support verification. In Annex B, examples of such research questions are marked in **bold green**.

To enable a substantial number of interviews to take place within the scope of the assignment (time span and budget) and taking into consideration the Covid-19 travel restrictions **we aimed that at least 50% of locally held interviews are done in person following applicable national covid-19 regulations**. The other 50% can be done through Zoom, Teams, or phone. The local teams conducted the interviews in local languages (Spanish, Oromo/Sidama) and translate and deliver the interviews to the Lead Team in English.

### *Verification of outcomes by local teams*

Outcome verification was done by the local research teams using the following methods:

- Interviews with relevant actors around supply chains (e.g., workers, managers, farmers, members of unions, local government, local NGOs)<sup>194</sup>
- Documentation that supports or negates the outcomes.
- Focus groups/combined interviews with a selection of stakeholders either virtually or live.

In verifying the findings on the outcome descriptions, we worked with triangulation and to ensure that at least 3 independent sources were used to verify any conclusions (support, verify, falsify, or provide nuance to an outcome).

#### *Verification of outcomes by local teams*

Focus locations are determined by main regions of Fairtrade certified SPOs and HLOs and include:

- Colombia
  - Bananas: Urabá region and Magdalena department
  - Coffee: South (Valle de Cauca/Nariño), center (Caldas/ Antioquia, North (Caribbean)
- Ethiopia
  - Coffee: Oromia, Sidamo
- Dominican Republic

In sum, methods used to verify outcomes and to do the overarching analysis include: document analysis (NGO reports, reports of other certifiers, Fairtrade policies and studies, government documents and others) 19 Zoom interviews with “international” stakeholders (Fairtrade international staff and experts), 86 individual or group interviews either conducted online or in person with national stakeholder by local teams in Ethiopia, Colombia and the Dominican Republic (51 in Colombia, 18 in the Dominican Republic, 17 in Ethiopia), 5 workshops in Colombia<sup>195</sup>, 1 survey sent out on grievance mechanisms in Colombia, the Dominican Republic and South Africa (with 50 responses),<sup>196</sup> 1 online verification workshops for each country (3 in total), and 1 online international verification workshop.

#### *Applying a Gender Lens within the Outcome Harvesting Approach*

The entire Team will apply an analysis that is gender inclusive throughout the assignment. There is no context in which the outcomes of human rights tools and standards are equal all genders. Dimensions of these inequalities are often so deeply entrenched that they are difficult to distinguish. Gender analysis reveals these differences. Its purpose is (1) to “surface” the fact that gender relations are likely to be relevant for the impact of Fairtrade interventions (2) to indicate exactly what that difference in impact is likely to be, to what extent this materializes and how this can be changed.

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<sup>194</sup> Please note the difference between outcome descriptions, which were based on Fairtrade-focused documentation and interviews with people within the Fairtrade system and outcome verification, which is done predominantly on the basis of interviews with people outside the Fairtrade system and independent sources.

<sup>195</sup> Using the by ECCO designed methodologies: “Banana plantation ecosystems mapping”, “Workshop “The narrative of my plantation” and focus groups in the coffee sector’

<sup>196</sup> Chapter on Grievance Mechanisms will follow later



## Annex B: Overview of selected Outcomes and Example Verification Questions for Local Teams

### Coffee Colombia

44	<p>In Colombia, in 2018, CLAC and Fairtrade have contributed to the adoption of a more flexible public policy on child labor through multi-stakeholder roundtable discussions that included the government, leading to the adoption by the Labour Ministry of Resolution 1796 in 2018 (part of Child Labor legislation). Similar engagements have not been successful in recent years due to changes in government.</p> <p>Domain(s): Child Labor</p> <p><b>Verification question(s)<sup>197</sup>:</b></p> <ol style="list-style-type: none"><li>1. Can you verify or falsify this outcome or does it need to be nuanced? If so, how?<ol style="list-style-type: none"><li>a. How did this change impact the enjoyment of human rights for SPOs and their families in the coffee sector in Colombia?</li><li>b. What unintended/negative consequences of the policy change can be identified?</li></ol></li><li>2. How much of the change (adoption of more flexible public policy on CL) can be attributed to Fairtrade's interventions in comparison to other stakeholders' (interventions) involved in this policy change?<ol style="list-style-type: none"><li>a. What aspects of Fairtrade's engagement/interventions with the stakeholders contributed to the change, in particular, contrast advocacy vs. standards? Other relevant aspects may involve: timing, contact with relevant people, strategy? Etc.</li><li>b. (How) were children and youth consulted in initiating this change?</li><li>c. What were some of the important challenges in the engagement process (e.g., rotation of leaders in government etc.)</li></ol></li><li>3. How big are the chances that this positive impact can be replicated on other issues, and in other contexts?</li></ol>
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<sup>197</sup> Please note that we have also included 'potential verification questions' to some of the outcomes. These are less detailed and still drafts but do give an indication of what the verification questions will look like.

89	<p>Fairtrade has been able to, through the use of premiums, establish childcare facilities but it is debated whether this in fact has reduced child labor in Coffee SPOs in Colombia.</p> <p>Domain(s): Child Labor</p> <p>Potential Verification Questions:</p> <p>\- Have premiums played a significant role in reducing child labor or should other interventions be used.</p>
90	<p>In Colombia, women have started to become coffee producers and increasingly take up leadership roles in cooperation's. Women a greater voice and they are more critical as a result of several Fairtrade projects (e.g., Women's School of Leadership, CLAC Gender Policy). Focus has also been on promoting safe spaces and consultation. Even though women now have more voice within cooperatives it is unclear whether these beginnings have substantially strengthened women's rights in the Fairtrade Coffee supply chains.</p>
93	<p>Fairtrade has managed to contribute to health and safety (working conditions) in Colombia in coffee through trainings. However, the possibility to circumvent national laws on health and safety can sometimes have negative impacts.</p> <p>Domain(s): Working conditions</p>
46	<p>CLAC, together with organizations (incl. Save the Children) has carried out diagnostic assessment of the child labor situation in Colombia and the Dominican Republic. This assessment serves as the foundation for implementing actions for improving the situation and measures for mitigating risks. It is unclear what actions were taken and what human rights outcomes were achieved</p> <p>Domain(s): Child Labor.</p>
81	<p>Fairtrade's programmes in Colombia and the Dominican Republic have improved awareness of what human rights and environmental rights are. People are now better capable of identifying situations where rights are violated as well as the root causes or risks for those violations and how to mitigate them.</p> <p>Domain(s): all</p> <p>Potential verification question(s):</p> <p>\- What Fairtrade Interventions contributed to this, how did they contribute and what did this improved awareness lead to?</p>

61	<p>Fairtrade has had limited impact on working conditions of hired workers on small farms in coffee in Ethiopia. Problems include casual employment, no benefits being paid and unjustified termination of employment. There is anecdotal evidence of exploitation of hired labor in SPOs with Fairtrade not being able to address this. Some progress has been reported on written contracts (see outcome 24) and health and safety (see outcome 26) but overall, Fairtrade impact on SPO hired workers remains limited and largely invisible.</p> <p>Domain(s): working conditions.</p>
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## Coffee Ethiopia

61	<p>Fairtrade has had limited impact on working conditions of hired workers on small farms in coffee in Ethiopia. Problems include casual employment; no benefits being paid and unjustified termination of employment. There is anecdotal evidence of exploitation of hired labor in SPOs with Fairtrade not being able to address this. Some progress has been reported on written contracts (see outcome 24) and health and safety (see outcome 26) but overall, Fairtrade impact on SPO hired workers remains limited and largely invisible.</p> <p>Domain(s): working conditions.</p> <ol style="list-style-type: none"> <li>1. Can you verify or falsify this outcome or does it need to be nuanced? If so, how? <ol style="list-style-type: none"> <li>a. Who are the hired workers in SPOs mostly (women, youth, migrants)?</li> <li>b. Who employs these hired workers in SPOs (farmers, farm managers/sharecroppers, job brokers/contractors, other)? Do they have contracts (written, verbal or none)?</li> </ol> </li> <li>2. Why are current Fairtrade interventions – that potentially could address this human rights impact - currently not able to impact the disadvantaged position and working conditions in the SPO context? <ol style="list-style-type: none"> <li>a. Has hired workers on small farms been included in trainings and other support offered by FT?</li> </ol> </li> <li>3. Why are these impacts on hired workers in the SPO context not always visible for Fairtrade? How could visibility be improved?</li> </ol>
22	<p>More smallholder farmers now earn towards a living wage or income in Ethiopia because of Fairtrade Minimum Price and Fairtrade Premium. Improvements have been made towards Living Income through 1) increased volume 2) increased quality and 3) better market access. However, although the Fairtrade Minimum Price of US\$1.40/lb. provides an important safety net for coffee farmers during price crises to help them keep their heads above water, it is not enough to enable them to achieve a living income. Price crises and constant price pressure play a big role.</p> <p>Domain(s): Living Income</p>

69	<p>Around two-thirds of Fairtrade Premiums in Ethiopia remains at cooperative level, leaving only one-third to be directly used by producers. Some of this has been used to improve school enrollment and production practices but large-scale impact has not been achieved. This uneven distribution of premium use may limit the potential impact for the community on human rights.</p> <p>Domain(s): Living Income/Wage, Child Labor, General.</p>
75	<p>Stronger SPO standards and the adoption of child labor provision in policies of cooperatives and the Child Protection Policy have reduced the risk of child labor on coffee farms in Ethiopia. Among other interventions, Fairtrade Africa hired a social compliance staff member to deliver training and build the capacity of producer organizations to address child labor, among other issues. However, the risk of child labor is still there.</p> <p>Domain(s): Child labor.</p>
100	<p>Engagement with (local) government has led to a greater awareness about child labor being illegal and harmful and non-negotiable in the Fairtrade setting. Some evidence suggests that child labor at smallholder farms is reduced as a result of such efforts to improve awareness and sensitization efforts.</p> <p>Domain(s): child labor</p>
13	<p>Schools and Health care facilities were built through the Oromia Coffee Farmers Coffee Union, financed by Fairtrade Premium. Specifically, the Homa Cooperative constructed a secondary school consisting of 6 classrooms and a health care facility was constructed in Buchisa. It is not clear to what extent this achievement is an exception and what are the human rights impacts beyond right to education and health for this particular community.</p> <p>Domain(s): Child Labor, Women's' rights, general.</p>

62	<p>In Ethiopia, women producers of coffee experience direct benefits in terms of increased recognition of land ownership, membership of associations, and access to better prices in coffee more generally. However, limited impact is found in change in gender norms and power relationships.</p> <p>It was found in Ethiopia that certification influences decision-making procedures in the cooperative domain but women's bargaining position in the private domain remains largely unaffected, unless women are accepted as full members of the cooperative and are included in the board'. Important to note is that women are a very small minority in the co-operatives and among coffee farmers and they play a limited role in the governance structures.</p> <p>Domain(s); Women's rights</p>
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## Banana Colombia

14	<p>Some evidence was found that workers at banana plantations in Colombia now have more awareness of labor rights, in particular, of fair remuneration, collective bargaining, non-discrimination, non-harassment, freedom of association and access to PPE.</p> <p>Domain(s): Working conditions, discrimination, freedom of association, general</p> <p><b>Potential verification questions:</b></p> <ol style="list-style-type: none"> <li>1. Can you verify or falsify this outcome or does it need to be nuanced? If so, how? <ol style="list-style-type: none"> <li>a. Where did this awareness increase exactly?</li> <li>b. Has this change occurred for both men and women equally?</li> <li>c. (How) did increased awareness impact the enjoyment of human rights of workers at plantations?</li> </ol> </li> <li>2. How much of the change can be attributed to Fairtrade's interventions, also compared to other stakeholders' interventions? <ol style="list-style-type: none"> <li>a. Which interventions created this increase in awareness and did this change occur at all locations where the intervention was implemented?</li> <li>b. What has been the impact of Fairtrade interventions compared to trade unions' activities?</li> <li>c. What aspects of Fairtrade's engagement/interventions with the stakeholders contributed to the change? Relevant aspects may involve: timing, contact with relevant people, strategy? Etc.</li> </ol> </li> </ol>
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15	<p>In Colombia, Fairtrade has supported the strengthening of workers' leaders in the Joint Bodies and Worker Committees on Fairtrade banana plantations, so that they can adequately fulfill their mission of defending rural workers' interests. Plantation managers and Joint Body representatives declared that workers' representatives are now better trained, more dedicated, and have become more analytical and better managers and communicators.</p> <p>However, there is a concern that activities for Worker Committees (including premium committees) have a negative impact on Trade Union representation and active worker participation in TUs. In addition, a structural change in power relations cannot be established by worker committees, while a TU could (e.g., through sectoral agreements).</p> <p>Domain(s): Working conditions, Freedom of Association</p>
19	<p>Hired labor at banana plantations in Colombia have experienced improvement in standard of living (housing and education) due to Fairtrade Premium, and improvement in working conditions, such as sanitary services. In addition, labor stability has improved and is perceived as a key factor in improvement in standard of living. Interestingly, most of the workers report having more influence on community decision making, since Fairtrade certification. Importantly, there is evidence that the relationship between workers and employers has improved, mainly because the employer takes care of his workers as an ally and protects them in a reciprocal relationship, in which both parties have rights and obligations.</p>
21	<p>Some of Fairtrade workers in the Urabá region and Magdalena department believe that Fairtrade's social and economic impact favors peace in the region and consider that it is important for the plantations to continue their affiliation because Fairtrade stimulates job creation in the region. However, just over half of the workers do not attribute any peace-related developments to Fairtrade's interventions.</p> <p>Domain(s): conflict/general</p>
41	<p>In Colombia, at Fairtrade banana plantations, while sexual harassment does occur, the majority of wagedworkers is aware of grievance policies, there is more awareness on sexual harassment policies than on non-FT plantations, and there is some improvement in grievance handling and sexual harassment policies at Fairtrade plantations in Colombia. More than half of those who experienced a grievance felt they could submit the grievance without experiencing any disadvantages and the majority of the submissions were followed up.</p> <p>Domain(s): women's rights.</p>

42	<p>In Colombia, in the banana sector, indications of disparity between male and female wage workers were found. It appears that some discrimination on the work floor takes place resulting in less confidence of job continuation, feeling less job secure, having less trust in others in their community and having less trust in fellow workers.</p> <p>Results on in-kind benefits were mixed/unclear. Most of the Fairtrade and non-FT wage workers interviewed mentioned that there is no discrimination against women because they are not in a disadvantaged position.</p>
96	<p>In Colombia, Fairtrade's women's empowerment efforts (e.g. Gender Policies, Women's Leadership Schools, Harassment Committees) have had limited impact on preventing Gender Based Violence.</p> <p>Domain(s): Women's Rights</p>

(cont. on next page)

## Bananas Dominican Republic

5	<p>Migrant workers at banana plantations in the Dominican Republic are structurally disadvantaged in various aspects, including, allocation of Fairtrade Premium, working conditions, paid leave. In addition, they feel less secure in using grievance mechanisms and have less trust in representation through worker committees. Overall, Fairtrade has not succeeded in overcoming social inequalities and migrant workers and their families remain systematically disadvantaged. Moreover, impacts on migrant workers are not always visible for Fairtrade.</p> <p>Domain(s): Discrimination. working conditions.</p> <p><b>Example verification questions:</b></p> <ol style="list-style-type: none"> <li>Can you verify or falsify this outcome or does it need to be nuanced? If so, how? <ul style="list-style-type: none"> <li>Is this disadvantage a structural problem? Where is it worse/better?</li> <li>Does the negative impact affect women and men equally?</li> </ul> </li> <li>Do grievance mechanisms meet principles of accessibility, equitability, transparency and dialogue based? ( <ul style="list-style-type: none"> <li><i>for example: Are all stakeholder groups aware that they exist? Do they ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process?(how) Do they protect workers who file the complaint? Do they ensure that an effective and timely output is reached? Are stakeholder groups for whose use they are intended, consulted on their design and performance, and focusing on dialogue as the means to address and resolve grievances?)</i></li> <li><i>on what aspects are migrants disadvantaged specifically with regards to grievance mechanisms?</i></li> </ul> </li> </ol>
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	<p>3. Why are current Fairtrade interventions – that potentially could address this human rights impact - currently not able to impact the disadvantaged position and working conditions of migrants in the Dominican Republic in the banana sector</p> <p>4. How could the Fairtrade system/interventions be improved to mitigate these negative consequences? What would be the limits of Fairtrade impact on this matter?</p> <p>5. Why are these impacts on migrants not always visible for Fairtrade?</p>
46	<p>CLAC, together with organizations (incl. Save the Children) has carried out diagnostic assessment of the child labor situation in Colombia and the Dominican Republic. This assessment serves as the foundation for implementing actions for improving the situation and measures for mitigating risks. It is unclear what actions were taken and what human rights outcomes were achieved</p> <p>Domain(s): Child Labor.</p>
3	<p>Hired workers at banana plantations in the Dominican Republic have seen a significant change in their socio-economic position through, formalization of employment and better working conditions including written contracts, legislated income-boosting benefits and better job security, allowing them to take leave. These changes have come from implementation of the hired labor standard.</p> <p>Domain(s): working conditions, discrimination</p>
12	<p>Worker representation at banana plantation in the Dominican Republic has improved: workers' capacity to negotiate with employers has improved, electoral processes have become better, and grievance submission have increased. These changes had brought some concrete benefits to workers and in countries where worker organization was almost nonexistent, represented an important step forward.</p> <p>Even though plantations need to comply with Fairtrade Standard requirements on representation of workers it is difficult for Fairtrade to impact real power transfer to workers. Worker representation in committees is a long way from having trade union recognition for workers, and Fairtrade should be mindful of the risk of strengthening Workers Committees to such an extent that they subvert efforts to organize workers independently.</p> <p>Domain(s): working conditions, Freedom of Association</p>

32	<p>More hired workers at Fairtrade plantations in the Dominican Republic are aware of grievance and sexual harassment policies than workers on non-certified banana plantations. Wageworkers indicated that on Fairtrade plantations, wageworkers are educated to recognize signs of sexual abuse and how to communicate these. Fairtrade wageworkers report a (more) positive change in these policies that most attribute to Fairtrade. However, overall, awareness on policies is low. In addition, there may be fear to report complaints and there is a lack of ability to communicate complaints properly.</p> <p>Domain(s): Women's rights, working conditions</p>
86	<p>In the Dominican Republic, migrant women working in the banana sector are disadvantaged because they do not speak the language and are responsible for child care. Children learn the language in school but women are left behind and Fairtrade has had difficulty to reach them. During Covid-19, schools have been closed so that women often cannot go to work. Women are under extreme pressure.</p> <p>Domain(s): Women's Rights, Discrimination.</p>
103	<p>To reduce forced labor, harassment and abuse at work, Fairtrade has conducted soft skills workshops, at various levels in the Fairtrade banana supply chain in the Dominican Republic, which aim to improve dialogue and communication skills between workers and employers. It is unclear what human rights outcomes were achieved.</p> <p>Domain(s): Forced Labor</p>
81	<p>Fairtrade's programmes in Colombia and the Dominican Republic have improved awareness of what human rights and environmental rights are. People are now better capable of identifying situations where rights are violated as well as the root causes or risks for those violations and how to mitigate them.</p> <p>Domain(s): all</p>

## Annex C: Local Teams - Summary

### **Dominican Republic**

The OBMICA Team's skills and experience OBMICA is a center for applied research focused on migration and social development in the Caribbean which advocates for the rights of migrants and their families as a cornerstone for development, democracy building, and inclusive citizenship. Our five main thematic areas are:

Migration and gender; migration and labor Rights; human trafficking and illicit smuggling of migrants; migration, environment and climate change; and the right to nationality. [www.obmica.org](http://www.obmica.org)  
Proven experience with qualitative and quantitative research methods and data collection.

OBMICA has engaged in multiple applied research projects, mainly qualitative but also quantitative, as for example the research we did on Haitian migrant labor in the construction industry in the DR for the US Department of Labor (DOL). See attached report submitted.

Proven track record in conducting interviews with different categories of informants. OBMICA produces an [annual yearbook](#) since 2011 looking at migration trends affecting the DR, the island, as well as the insular Caribbean and which involves consulting a wide spectrum of stakeholders including farmers, trade unions, workers, marginalized groups as well as local government and policy makers. Two members of the proposed research team are bilingual in Spanish and Haitian Creole, necessary for interviews with Haitian migrants, who compose around 66% of the labor force in the banana industry in the DR. Both participated in the research project we did on Haitian migrant labor in the banana industry on the northern border of the DR (see below).

Proven track record in researching human rights issues. The proposed team includes the team leader and the principal researcher, both of whom have academic backgrounds in the social sciences with a clear human rights and gender perspective, each with over ten years' experience of research in the DR. As above, both participated in the OBMICA research project on Haitian migrant labor in the banana industry on the northern border of the DR (see below).

Research in supply chains and the banana sector is a strong point of OBMICA, exemplified in our recent report (Spanish and French) which was launched [on May 1st 2021](#) on the border with key actors from the European Union, the Dominican Ministry of Labor, international organizations, workers, employers and local authorities. The report was written in Spanish and then translated into French ([published in both languages](#)). In 2016 we had written [an article expressing concern for the sustainability](#) of the regularization programme for migrant workers (in EuroFruit).

Good writing and speaking abilities in English. The team leader is a native English speaker and the principal researcher is a native Spanish speaker and is fluent in English. The male and female research assistants have been chosen because they may relate better to male and female workers who may be interviewed. Our most recent research project on the southern border of the Dominican Republic which focusses on the impact of COVID-19 on Haitian migrants and their descendants is being launched in English, Spanish, and French on June 18th 2021. The English research brief draft is attached as the most recent example of our written work (it is currently at the local lay-out/printing facility we use). It will be launched around the same time as [a global report on the impacts of COVID-19 on statelessness](#), to which we have also contributed. Carrying out the research on the ground in the DR, as we did in October 2020, also reflects our ability to work notwithstanding the pandemic, using the most rigorous health protocols.

### **Ethiopia**

Setargew Kenaw

- A senior scholar with over twenty-five years of teaching and research at higher education institutions.

- Supervised students (graduate and undergraduate programmes) when preparing, defending and publishing manuscripts in partial fulfilment of degree requirements.
- Has served as managing editor and (currently) editor-in-chief of the *Ethiopian Journal of the Social Sciences and Humanities*, one of the leading journals of Addis Ababa University.
- Has published widely: publications include books, essays in peer-reviewed scientific journals, book chapters, research and consultancy reports, and newspaper articles.
- Participated in rights-based consultancy assignments including
  - Rights-based evaluation and documentation of Save the Children Sweden's refugee program for Southern Sudanese people in Western Ethiopia.
  - Survey of the intersection between violence against women and HIV/AIDS in Ethiopia commissioned by Action Aid Ethiopia.
  - Nationwide "participatory poverty assessment" of the World Bank.
  - Rural household survey, a collaborative project of Addis Ababa University and Oxford University.
- Has taught methodological courses to graduate students of cultural anthropology and sociology.

#### Wubshet Ergetie

- An expert and researcher with over 28 years of experience working in the development, humanitarian, public and business sectors in Ethiopia.
- Highly competent in undertaking complex researches, e.g. in the fields of poverty and vulnerability assessment, policy analysis, gender assessment, institutional capacity assessment, performance reviews, baselines, evaluations, value chain analysis, etc.
- Has experience of building the capacity of cooperatives in SNNPR (Southern region of Ethiopia) for marketing agricultural crops including coffee, which was a 2-year project commissioned by the Agricultural Transformation Agency and Federal Cooperative Agency.
- Is a certified World Fair Trade Organization (WFTO) Guarantee System Auditor and undertook the Monitoring Audit of various organizations in Ethiopia. Thus, Wubshet has excellent understanding of the fair trade principles and standards.
- Has been providing trainings on the rights-based approach and human rights advocacy work, and designing rights-focused development programs for a number of NGOs/CSOs in Ethiopia. Therefore, he has very good knowledge of the human rights principles and standards.

#### Michael Dubisso

- Born and grown in a family that produces coffee in Sidama, and thus knows the living conditions of coffee growers as well as the issues related to the fairness of coffee trade, including the associated human rights concerns. He is also fluent in Sidama language.
- Holds MBA in International Business that helped him gain good understanding of the basic concepts of management and foreign trade combined. The courses he took include an amalgamation of trade, management, marketing, sales, and aspects related to economics and law.
- Has been working with a number of international organizations in Africa (Ethiopia and Kenya), the Caribbean (Haiti and Jamaica) and Latin America (Colombia, Chile and Bolivia), where significant population relies on coffee production. The organizations he has worked for (e.g. HelpAge International, Christian Aid, ActionAid and World Vision) all apply the rights-based approach to development and humanitarian work. As a result, Michael knows the international human rights instruments and their practical application on the ground.
- Has research experience that he gained while working as a consultant for Mela Development Training and Consultancy Services Ltd. in Ethiopia.

#### Colombia

On behalf of ECCO we would like to hereby apply for the "Local Research Team in Colombia consultancy for the evaluative study on the contribution of Fairtrade's tools towards assuring human rights at producer level and along the certified supply chain in the coffee and banana sector.

ECCO is a Colombian organization that designs and facilitates collaborative action – research processes for territorial and rural transformation. We work from a human rights, systemic and generative approach using innovation tools to design and facilitate planning and sustainable development processes where we co-create and exchange knowledge within diverse cultures. We have experience working with diverse organizations in Colombia such as WWF, USAID, IOM, IICA, as well as with Dutch organizations, including ICCO and Free Press Unlimited, using non-conventional evaluation approaches such as appreciative inquiry, most significant change, human impact evaluation and outcome mapping.

The research team for this consultancy will consist of 3 members: Adriana Piedrahita, Anna Gorter and Claudia González. We have complementary experience in qualitative and quantitative research into a variety of issues related to human rights, including value chains in diverse sectors, including coffee and banana, gender equality and economic empowerment.

Adriana Piedrahita is a professional in International Trade and a specialist in Social Management with 11 years of experience in social - economic project cycle management and support to enterprises to improve competitiveness and productivity. She develops support plans to improve women's participation in various value chains (coffee, banana, tourism and agribusiness) and recently worked for ICCO on a human rights impact assessment of the banana value chain in the department of Magdalena in Colombia. During this project, she conducted structured interviews with a variety of stakeholders, including plantation workers, union representatives and NGOs, and prepared the segments of the final report on wages and benefits according to Colombian legislation. Adriana also has experience working in the coffee supply chain, though not Fairtrade certified ones.

Anna Gorter has a background in Anthropology and Sustainable Development and has worked for various international NGOs on monitoring, evaluation and learning with regards to human rights and gender equality. She has experience in conducting qualitative research and evaluations, including conducting interviews with a variety of stakeholders and presenting the results in different formats, depending on the audience. She has an understanding of the Outcome Harvesting methodology.

Claudia González is ECCO's founder and coordinator, who will also be the coordinator of the project and the main contact person for this assignment. She is a lawyer with a master degree in Development Management and a qualitative researcher. She has experience in the creation and impact evaluation of public policies, programs and projects related to the promotion and protection of social, economic and environmental human rights in vulnerable communities.

We believe our experience and skills complement each other, consolidating a suitable team to implement the consultancy. The task division within the team will be decided depending on the specific needs of the assignment, in consultation with VU University. Below, you can find our individual profiles, a profile of ECCO, as well as our daily rates and examples of previous work.

#### Principles Of Our Work;

- Promoting gender equality
- Working towards economic and human empowerment of communities

## Annex D: Informed consent form

*Draft (to be finalized for specific data collection effort and in consultation with local teams)*  
The consent form shall be filled in 2 copies and one copy provided to the participant.

### **Purpose of the research**

Concretely, the study aims to:

- expose what is within and beyond the scope of Fairtrade's influence on assuring human rights
- stimulate that workers' and producers' insights and voices can be further included into HRDD discussions;
- stimulate that the power of producers and workers to drive true inclusive trade and development through Fairtrade is further unlocked in such a manner that considers current power-imbalances.

### **What will happen today**

Today, I [Name of local researcher] will ask you questions on [general topics of the interview/data collection method]

### **How long does it take?**

The interview/focus group will last for *approximately 1 hour [adjust when necessary]*. We can not pay you for your time.

### **How will the study benefit me?**

The aim of this study is to find out how Fairtrade can help prevent negative human rights impacts in the Fairtrade supply chains. It is not designed to benefit you direct you but the results can benefit you indirectly but your participation does enable you to

- voice opinions and insights (from the ground) on human rights violations and how to mitigate these
- share insights in existing power imbalances that may require Fairtrade's attention

### **What are the risks taking part in the study?**

This research takes place under Fairtrade ethics and protection policies which are intended to limit risks and harms as a consequence of taking part in this study. Your information will be anonymized, cannot be traced back to you and is stored in a safe place. If at any point you feel that participation is too risky, you are free to withdraw from the study at all times.

### **What will happen to my information?**

We will use the information and answers that you provide only in anonymous ways, without mentioning your name. We will not use your name or other identifiable information (such as location and job description) in the report or in our communications with others.

Your interview may be audio-recorded, if you explicitly agree to that, so that after the interview, we can write out exactly what you told us. Only members of the research team will listen to audio-recordings. Nobody else will see or hear any information that could identify you. The audio-recording (and all copies) will be deleted within 10 days.

When we write out the interviews, we will make the transcript anonymous. This means that we will remove any information that could potentially identify you, such as your name. Only the pseudonymised transcripts will be used for further analyses. From that point on, only the leader of the research team, (Annika van Baar), will be able to access your personal details.

The pseudonymized information you give may be used in future business & human rights research, again only in ways that cannot lead back to you. By agreeing to participate, you give us permission to process the information you provide for scientific research purposes.

All information obtained in this study will be stored on a secure server in the Netherlands, in line with the policy on data storage at VU University Amsterdam. The data will be stored no longer than ten years, in line with the Netherlands Code of Conduct for Scientific Practice (VSNU, 2014).

### **I have other questions**

If you have any questions at this point, please feel free to **ask them now!**

If you have any questions about the study at a later date, or if you wish to withdraw your consent, please feel free to contact the Research Leader: Annika van Baar at [a.van.baar@vu.nl](mailto:a.van.baar@vu.nl).

### **What are my rights?**

You have the **right to refuse** to answer any question that is asked of you, or even to **stop being a part of the research study** entirely. You do not have to explain why and there will be no negative consequences. You also have the right to have any questions about the study answered.

You have the right to **withdraw your consent** at any time. You can do so by simply telling the researcher during the study, or by contacting the team leader after the study (see contact details below). If you do, we will not process your data any further and if you ask us to, we will destroy all data collected from you up to that point.

### **I no longer want to take part in the study / I regret giving my information:**

At your request, your information and interview can be deleted at any time by sending an e-mail to the researcher, or to the research leader: Annika van Baar at [a.van.baar@vu.nl](mailto:a.van.baar@vu.nl).

### **Declaration of Consent**

By signing below, you are agreeing that:

- ☐ you have read and understood the Information Sheet,
- ☐ questions about your participation in this study have been answered satisfactorily,
- ☐ you are aware of the potential benefits and risks of your participation,
- ☐ you are taking part in this study voluntarily (without coercion),
- ☐ the researcher may audio-record your answers
- ☐ the researchers may process your personal data, including the information you provide about your personal background.

????????????????????

Participant's Name\*

\_\_\_\_\_  
Participant's signature\*

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of person obtaining consent

\_\_\_\_\_  
Signature of person obtaining consent



*\*Participants wishing to preserve some degree of anonymity may use their initials. Illiterate participants may state their name verbally and sign with an X (after the researcher filled in the name and date.*

## Annex E: Ethics & Protection

To ensure that participants in this research are treated fairly and ethically and have no harm coming to them, this research is carried out under an ethics and protection policy that encompasses the following principles:

### Benefits to Fairtrade producers and workers

Human Rights Due Diligence (HRDD) is increasingly important for all supply chains and actors, as well as for Fairtrade. Yet, while Fairtrade's focus on sustainable buying practices is well established and it is widely accepted that a root cause of human right violations is poverty, a study has not yet been conducted on the extent to which Fairtrade's focus on sustainable buying practices (including the economic tools of Minimum Prices and Premiums and the Trader Standard) positively influences human rights and helps to reduce human right violations. This study will assess the existing contributions of Fairtrade's tools, to assuring respect for human rights and will recommend possible additional tools or measures which could be relevant for Fairtrade with regards to HRDD. A major part of this study includes assessing where Fairtrade can contribute to positively affecting power relations between genders (men, women, other) producers and supply chain actors, workers and managers (HLOs) and so forth.

Concretely, the study aims to:

- Expose what is within and beyond the scope of Fairtrade's influence on assuring human rights
- Stimulate that diverse workers' and producers' insights and voices can be further included into HRDD discussions;
- Stimulate that the power of producers and workers to drive Inclusive Trade and Development through Fairtrade is further unlocked in such a manner that considers current power-imbalances.

Ultimately, some benefits of participating in this research could include:

- To take a more active role in voicing opinions and insights (from the ground) on human rights violations and how to mitigate these;
- To share insights in existing power imbalances that may require Fairtrade's attention

### Ensure no Harm (Risks, hazards and reflections on power relations)

To ensure no harm we will extend our initial analysis of risks and hazards and reflections on power relations (see below) by discussing them extensively with the local research team before the start of the data collection and throughout the data collection phase when necessary (for example when additional issues have been identified and/or when there are relevant changes in context).

Various prospected participants in our research work and/or live in a context of power relations that do not benefit them. Much of the outcomes to be verified concern sensitive information. Therefore, local researchers and the lead team will take utmost care to do nothing that deteriorate the position of any of the participants. This includes that all approaches to the field work, including how to contact participants, where the interview or other activities take place etc.

We will particularly take care that vulnerable groups (youth, women and at risk migrants, among others) will not face reprisal or retaliation from participation in the research. In addition, participants are always free to not take part in the research or revoke their informed consent.

### Adhere to applicable Fairtrade policies (including Protection Policy)

We will adhere to the Fairtrade International Protection Policy for Children and Vulnerable Adults by complying with all its elements as set out in the agreement signed in June 2021. The Fairtrade protection policy is part of the contracts with local research team, which will also be trained on the relevant principles and procedures. In case any questions arise from this training that the team cannot answer, we will be in contact with FTI in order to obtain the necessary

information. The local teams for Colombia and the Dominican Republic will receive protection training from CLAC. The local teams for Ethiopia will receive training from FTA. The principal researcher is responsible for ensuring all its team researchers and other data collectors are trained and will abide by FTI's Protection Policy. Reporting to Fairtrade International elected persons involved with protection matters will be through the principle researcher.

All child labour and forced labour, including gender-based and related violence allegations or suspicions are reportable to Fairtrade International through its Protection Policy and Procedures for assessment, response and prevention. Information will only be shared confidentially using the forms provided, and will be kept in a safe place and will only be shared with FTI relevant parties. No photos would be taken of subjects alleged to be in these labour and/or human rights conditions. Protection and safeguarding of these persons takes priority over research data collection or analysis. Researchers and their teams will not be involved in further assessment and follow up after the allegations are confidentially and safely submitted.

#### Collaboration and Coordination with National Fairtrade Organizations and Producer Networks.

Over the course of the research, we share and coordinate next steps and data collection initiatives with the relevant National Fairtrade Organization and Producer Networks. We will continue to do this during the field-based phase of the study. See also chapter 5 for a description on coordination with the local field teams in the implementation of this study.

#### Informed Consent and Absolute right of refusal

We have developed a procedure for informed consent relevant for each prospective form of data collection (interviews, focus groups, observation, photographs/video recordings etc.) that includes a brief information sheet and five questions to ensure informed consent and includes the absolute right to refusal and absolute right to withdrawal from the study at any point. See Annex C for a draft Informed Consent form which will be further adjusted, simplified and translated to ensure that participants can use it.

#### Data Confidentiality (GDPR).

The researchers make use of the infrastructure provided by Podio (incl. 2-factor identification)<sup>198</sup>, Qualtrics XM<sup>199</sup> and SurfDrive/Research drive<sup>200</sup>, both GDPR compliant. After conclusion of the research project, all data will be scraped from the Podio environment and also securely saved in the Surf/Drive Research Drive.

The research thereby seeks to contribute to benefit these same producers targeted by Fairtrade, either directly or indirectly. All information obtained in this study will be stored on a secure server in the Netherlands, in line with the policy on data storage at VU University Amsterdam. The data will be stored no longer than ten years, in line with the Netherlands Code of Conduct for Scientific Practice (VSNU, 2014), with the exception if information triggered through the FI Protection Policy.

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<sup>198</sup> See <https://help.podio.com/hc/en-us/articles/360000980392-Where-is-data-hosted-> and <https://www.citrix.com/about/legal/privacy/>

<sup>199</sup> <https://www.qualtrics.com/support/survey-platform/getting-started/qualtrics-gdpr-compliance/>

<sup>200</sup> See <https://www.surf.nl/en/general-data-protection-regulation-gdpr/surf-services-and-the-gdpr>

## Annex F: Systemic Mapping

Please add pdf (English and Spanish) named “Annex F-VU\_FTI”