

December 4th 2024

Building fairness and resilience in global supply chains: a Parliamentary briefing

The Fairtrade Foundation in the UK represents 2 million farmers and workers across the world, producing many of the UK's most well-loved products, such as coffee, bananas and cocoa. When you buy a Fairtrade product, you know the farmer will receive a fair price, and also the "Fairtrade Premium" – additional funding to invest in their local community. Around the world, Fairtrade farmers are supported by our Producer Networks to understand what they need to keep growing their product and earn a decent wage. Over the last 30 years, farmers have repeatedly told us that what they need for their long-term sustainability are increased sales to the UK market at a fair price, greater voice and stability in trading relationships, and longer term contracts.

Not only do these enable them to earn a better, more predictable wage, which reduces the risks of human rights violations, such as child labour, they also enable farming communities to invest in environmentally-friendly production methods and human rights initiatives. These include carbon reduction methods to tackle the climate crisis, more sustainable farming techniques that improve biodiversity, and training in farms to prevent child labour and gender discrimination.

Three critical areas for Government action

1. Trade policy that works for people and planet, improving resilience for those producing food overseas, improving food security for the UK public, and supporting innovation for fairness and sustainability.
2. Responsible business, supported by effective Government legislation, that tackles human rights and environmental violations in supply chains.
3. UK aid supporting partnerships between governments, businesses and smallholder farmers and workers.

Across all three, the Government's approach should be driven by the voices and participation of producers themselves. Prioritizing their engagement in policy-making will capitalise on their expertise and enable fairer trade systems for all.

Policies for a fair and sustainable future

The issues that lead to producers struggling with low incomes, that contribute to environmental damage, and that threaten the long-term resilience of supply chains are structural. Through a coherent approach to trade, climate and development policy, legislation on responsible business, and an effective use of the aid budget, the Government can help support better prices for producers and a more equitable and environmentally sustainable trade system.

1) Trade:

The UK's approach to trade needs to build strength, fairness and sustainability in UK supply chains. In order to do this, it must draw the connections between trade, development and environmental policy, investing in producers to secure long term food security and helping to meet the UK's development and climate objectives. The UK's trade policy should also address the role of competition law in building markets that promote sustainable development and provide support to innovations in this area such as pre-competitive collaboration. An example of how this can be done is Fairtrade's ['Shared ImPact'](#)

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initiative, which allows companies to collaborate pre-competitively to source bananas, cocoa or coffee to build sustainability and resilience within supply chains.

Recommendation: The UK's new trade strategy should take a joined-up, whole of government approach to trade that aligns with development and climate objectives, addressing the needs of the millions of smallholder farmers worldwide who help supply our food.

2) Business responsibility

Businesses have a responsibility to ensure that their supply chains are free of modern slavery and human rights violations, and ensure that their business practices are not actively contributing to environmental degradation. Government regulation on Human Rights and Environmental Due Diligence (HREDD) can level the playing field and ensure that all businesses are doing their part.

Recommendation: The UK should deliver regulation that levels the playing field for responsible businesses by requiring all large companies to tackle human rights violations and environmental risks, such as deforestation, in their supply chains, while ensuring that the costs and burden of compliance do not fall to producers themselves.

3) UK Aid

Sustainable trade policy and regulatory changes should be supported by UK aid programmes supporting partnerships between governments, businesses and smallholder farmers and workers.

Recommendation: UK aid should support smallholder farmers and workers in UK supply chains, and their families, with programmes to boost incomes, strengthen workers' rights, build resilience to climate change, taking an approach driven by the voices of producers themselves.

How MPs Can Support

1. Join the *Be the Change Campaign*

The "Be the Change" campaign brings together MPs committed to fair and sustainable trade policies. Over 100 MPs have already signed up to support fairer terms of trade, climate action, and stronger farmer engagement. Joining the campaign signals your commitment to building a just and sustainable global food system.

2. Join the *APPG on Fairtrade*

The All-Party Parliamentary Group on Fairtrade, currently being re-established, has for almost a decade acted as a vital forum for discussing and promoting policies that ensure a fair deal for farmers and workers worldwide. Membership provides opportunities to collaborate with colleagues across parties, connect with Fairtrade representatives, and learn about the real-world impacts of fairer trade.

3. *Raise Questions in Parliament*

Use your platform to advocate for policies that align trade, development, and climate goals.

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