“Public policies in support of fair and solidarity trade”

First research phase: the cases of Colombia, Ecuador and Brazil; France, Italy and Spain.

June 2015
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Introduction

Social research is an extremely valuable tool for all political and citizen advocacy activities. As political and social actors, it is only through in-depth research on issues related to sustainable the development and ‘good living together’ of our societies, that we can position our arguments and propose our alternatives in different settings, to different actors of different natures.

The fair and solidarity trade movement as a whole, is made up of a wide variety of actors; all of them make a contribution from their own areas of action and work: democratically organised small farmers, rural workers and artisans; continental-wide networks of producers’ organisations; social organisations, consumer associations, non-governmental organisations; groups of sustainable and responsible shoppers, fair trade shops and importers; fair and solidarity trade organisations and platforms; research centres and universities; local, provincial and regional authorities; professors, teachers, researchers and ordinary citizens.

In this sense, academia is a valuable ally when conducting research. Case studies, baselines, surveys, interviews and other methodologies, allow us to analyse in detail the global challenges we all face. For fair trade actors, whose priorities are clearly different (especially producers’ organisations and their national and regional networks), research processes turn out to be almost impossible tasks. However, every day we clearly see its importance as a basis to substantiate our positions to public and private stakeholders or civil society organizations, which we try to influence in promoting the principles, values and concrete practices of the fair trade movement.

The intention of this brief publication is to make the first steps of a journey which, hopefully, we can make together with European and Latin American researchers. In 2014, the European Fair Trade Advocacy Office (FTAO) proposed to launch a process of research on public policies for the promotion of fair and solidarity trade in Latin America and the Caribbean and the European Union.

The ‘Coordinadora Latinoamericana y del Caribe de Pequeños Productores de Comercio Justo’ (CLAC) (Latin American and Caribbean Network of Fair Trade Small Producers) accepted the challenge and, together with the FTAO, began to coordinate the first phase of the investigation. With the support of Ecuador’s Ministry of Commerce, ProEcuador, the World Fair Trade Organization and independent researcher Lukas Decker, the first steps from Ecuador were taken; a country which today is presenting to the world some of the most fascinating governmental proposals of concrete alternatives “of and to” development. It is interesting to note that the draft public policy for the promotion of fair trade that the Ministry of Commerce submitted to the National Secretariat for Planning and Development of Ecuador, expressly speaks of "Promoting Ecuador internationally as a fair country".

Starting with the Ecuadorian case, we also analysed the state of the art in Colombia and Brazil. In the latter, a National System of Fair and Solidarity Trade has been created, reinforcing the support to all varieties of fair trade within the wider Social and Solidarity framework. Within the three Latin American cases (Brazil, Colombia and Ecuador) fair trade is considered as one of the many expressions of the social and solidarity economy; in the European cases (Spain, France and Italy), the link to social and solidarity economy is weaker, because fair trade relations have developed mainly in its South-North channels. However, with the expansion of these practices also to North-North trade, at local and national level (as will be discussed in the French case, especially since the adoption of the Law on Social and Solidarity Economy, July 2014), and following the last economic and financial crisis, where the most vulnerable populations were the worst hit, the social and solidarity economy is regaining visibility and prominence also in Europe, and the fair trade movement is strengthening its ties with it again. France is emerging as a pioneer in this area, but the trend is being felt, albeit to a lesser extent, in Italy and Spain; in fact, the French Government is the only government that is building international agreements, with countries like Ecuador, Bolivia and Brazil, to promote the
social and solidarity economy, exchanges of experiences and the promotion of fair and solidarity trade.

Agreements and negotiations between France and these countries show some clues as to the construction of a possible Euro-Latin American strategy to promote solidarity economy and fair trade. One of the goals of this first phase of research is just to demonstrate to decision-makers, both from the European Union, as well as its members, that important advances already exist in Latin American countries.

The other objective of this exercise is to be able to join forces with researchers from the two continents to carry out the second phase of the research: an in-depth study to collect case studies from several countries about public policies in promoting fair and solidarity trade. At the end of this second phase we expect to have a good report with conclusions and recommendations that will stimulate dialogue between the two continents about fair and supportive relationships in the future.

The fifth ‘Fair Trade International Symposium’ of international fair trade researchers will be the ideal scenario to present this first step, and hopefully new relationships among networks of producers and fair trade organisations and universities will be strengthened. With this in mind, among the information collected in the six countries, we also included some references to universities that spend part of their academic work on the issues of the solidarity economy and fair trade, or even, as in the Spanish case, that are already participating in a national ‘Universities for Fair trade’ campaign. CLAC launched the ‘Latin American Universities for Fair trade’ campaign in August 2014, convinced that future policymakers are studying mainly in universities and that therefore, universities are ideal places to develop and structure possible public policy for the present and the future of the global movement for fair and solidarity trade.

As part of the movement we are also interested in strengthening our capabilities also in research processes like this one, and hope to articulate new strategic relationships with the academic world in order to find the best way to have the impact we desire.
A. Public policies and programmes in support of fair and solidarity trade in Latin America: the cases of Colombia, Ecuador and Brazil

1. Supranational level: Colombia, Ecuador and Brazil

At the supranational level some common elements between the two Andean countries can be identified. On 7 September 2001 the Andean Parliament adopted the ‘Social Andean Charter’, which contains a chapter (XIV) completely dedicated to the Solidarity Economy. Within this chapter the following articles stand out: No. 144: “To promote strategies and institutional, economic, credit and informative policies in support of different Solidarity Economy forms of association, in order to strengthen and democratise their entities. [...] No. 146: To recommend the member states and the social and community organisations the study and the critical and constructive analysis of the Colombian law 454 of the year 1998 about Solidarity Economy, in order to build up a regional, modern and democratic system of Solidarity Economy.”

With regard to the Andean Community of Nations (the acronym CAN in Spanish), no specific regional policy or programme exists, but single projects have taken place such as the bi-national project: “Fostering Andean development through the agro-industrial and associative value chain of small-scale producers and farmers of the District Nariño in Colombia and of the Provinces of Manabí and Santo Domingo de los Tsáchilas in Ecuador”. Relations with the European Union: trade negotiations between the European Union and the Andean Community began in 2007. Whilst Bolivia withdrew from them in 2008, and Ecuador in 2009, Colombia and Peru concluded the negotiations in 2010. In July 2014, Ecuador agreed to join the same agreement that Colombia and Peru had concluded with the European Union (“Trade Agreement between the European Union and its Member States, of the one part, and Colombia and Peru, of the other part”). This agreement includes in its title XIII, article 324, sub section 2c): “[...] the Parties agree to attach particular importance to cooperation initiatives aimed at: [...] c) promoting fair and equitable trade, facilitating access to the benefits of this Agreement for all production sectors, the weakest in particular”.

France-Ecuador: in November 2013, both countries signed an important bi-national agreement (between the Ecuadorian Minister for Economic and Social Inclusion and the Ecuadorian Minister for Foreign Trade, of the one hand, and the French Minister of Social and Solidarity Economy and of Consumption, on the other): “For the Cooperation in the Area of Solidarity Economy and Fair Trade”.

The Latin American Integration Association (acronym ALADI, in Spanish), to which Brazil also belongs, has implemented several projects over the last few years in support of fair trade. The fair trade projects implemented with the Ecuadorian Network for Fair Trade (acronym CECJ, in Spanish) which stand out are: “Capacity-building for the unification of cost accounting management” and “Institutional strengthening and development of value chains of the producers belonging to the CECJ”; also the project “Capacity-building and internships for the institutional strengthening of civil servants of the Ministry of Foreign Trade and of Pro-Ecuador with the aim of generating public policies and sectorial measures”. Nevertheless, ALADI does not have a framework for the support of fair trade on a Latin American scale.

With regard to the supranational level, the Common Market of the South, MERCOSUR, in which only Brazil of the above countries is a member, has implemented a project through its ‘MERCOSUR Social Institute’. The project is called: “Social and Solidarity Economy for Regional Integration”: It has as its objective, “to contribute to the reduction of strong social, economic, productive and commercial
asymmetries between the borders, to contain the rural exodus (especially of the youth), to reduce smuggling and labour exploitation by means of integral actions executed by local actors, by regional representatives and by the national governments. [...] One objective of the project is the creation of Promotion Centres for Social and Solidarity Economy (acronym CPRESS in Spanish), which will count on the required physical infrastructure for their entrepreneurial activity in supporting and promoting production as well as commercialisation and capacity-building in the area of their influence”.

Finally, it should be mentioned that some United Nations agencies have also given significant support to fair trade small-scale producer organisations in the Andean region. This is the case with the United Nations Office on Drugs and Crime (UNODC), which, through its ‘Alternative Development Programmes’ in Colombia, has promoted the conversion of coca cultivation into cacao cultivation while fostering the fair trade certification of the Fair trade label. Yet another case is the FAO-Ecuador’s public-private-partnerships, in particular, its promotion of the partnership between the Ecuadorian Ministry of Industry and Productivity, the Ecuadorian company Chocoexport and the Ecuadorian fair trade organisation Maquita Cushunchic (acronym MCCH, in Spanish), which aims to generate a higher added value for, and the improvement of, the production of small-scale and medium-sized cacao producers by linking them to the national agroindustry.

2. National level

2.1. Colombia

Unlike the Ecuadorian case, the Political Constitution of Colombia makes no explicit reference to fair trade, nevertheless it makes a reference to the organisations of the Solidarity Economy. The following articles stand out: Art. 58, subsection 3 “The state will protect and promote associational and collective forms of property”, Art. 60, subsection 2 “When the state sells its interest in an enterprise, it will take measures to promote the democratisation of the ownership of its shares and will offer its workers and the workers’ organisations special terms to make it possible for them to accede to the said proprietary shares. The law will regulate the matter”, Art. 333, subsection 3 “The enterprise, as a basis of development, has a social function that implies obligations. The state will strengthen cooperative organisations and stimulate business development”.

Of high importance for Colombia, and for the rest of the continent, was the Law 454 of 1998, which defines the conceptual framework that regulates the Solidarity Economy; which transforms the National Administrative Department of Co-operatives into the National Administrative Department of Solidarity Economy; which creates the Superintendence for Solidarity Economy; which creates the Guarantee Fund for Co-operative Entitites; which defines norms for the financial activity of co-operative entities and promulgates other provisions.” This law is also known as the Law of Solidarity Economy. Prior to this law the Decree 2536 of the year 1986 founded the National Council for Solidarity Economy (acronym CONES in Spanish).

Subsequently Decree 1153 of 2001 was adopted, which regulates Law 454 of 1998 with regards to the integration and functioning of the National Council for Solidarity Economy (CONES), is defined as: “the promotion agency for Solidarity Economy and the consulting body to the government in the formulation and coordination of national policies, strategies, plans, programmes and projects belonging to the sector of Solidarity Economy. CONES may create regional or local chapters”. In addition, there are the following documents: No. 3621 of 2010 of the National Council for Economic and Social Policy (acronym CONPES in Spanish), belonging to the National Planning Department), entitled “Strategic importance of support projects for micro, small and medium-sized companies”, where (Art. 1); emphasises that: “measures will be defined and implemented for the training of national technical institutions and for the business community with regards to the compliance with technical trade requirements such as tagging, packing, labelling and other required proceedings for international markets, strengthening in the meantime the national subsystem for quality

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management”; and CONPES 3629 of 2010, entitled “Business development programme for the Solidarity Economy sector”, in which Point 4, vi) stands out: “study the feasibility of setting up certification mechanisms for the good practices of fair trade, focused at the promotion of decent work, in order to boost the social responsibility in the corporate sector of the contractors”.

The document Basis for the National Development Plan 2014-2018 includes various references to the Solidarity Economy and to small-scale producers. Of special interest: “similarly, mechanisms that bring small-scale producers closer to the markets of urban areas have to be developed. For this purpose, it is suggested that specific activities for the inclusion of small-scale producers in the sourcing plans of the cities and in the public procurement strategies of national and territorial entities are implemented; the provision of services for the marketing of the products; and the provision of machinery and infrastructure for the transformation processes, for the storing and distribution of the products of the peasant-farmer economy” (pp. 321-322).

2.2. Ecuador

Brazil and Ecuador are without doubt the two countries with the most advanced frameworks for the support of fair trade. Ecuador makes explicit reference to fair trade in its own Constitution and in several legislative texts. The Constitution of the Republic of Ecuador dedicates the whole of Section Five of its Chapter Six (Labour and production) to Commerce and fair trade. The following articles stand out: Art. 336. “The State shall encourage and safeguard fair trade as a means of access to quality goods and services, minimising the distortions of middlemen and promoting sustainability. The State shall assure transparency and efficiency in markets and shall encourage competition in equal conditions and equal opportunity, which shall be established by law”. Art. 337. “The State shall promote the development of infrastructure for the collection, transformation, transportation and marketing of products to meet basic domestic needs, as well as to ensure the participation of the Ecuadorian economy in the region and world, on the basis of a strategic vision.” More generally, it is essential to recognise the importance that the Constitution gives to Solidarity Economy and Fair trade in other articles, among them: “TITLE VI. DEVELOPMENT STRUCTURE. Chapter Four. Economic sovereignty. Section One. Economic system and economic policy. Art. 283. The economic system is socially oriented and mutually supportive; it recognises the human being as a subject and an end; it tends towards a dynamic, balanced relationship among society, state and the market, in harmony with nature; and its objective is to ensure the production and reproduction of the material and immaterial conditions that can bring about a good way of living. The economic system shall be comprised of public, private, mixed-economy, grassroots solidarity forms of economic organisation, and others as established by the Constitution. The grassroots solidarity economy shall be regulated pursuant to the law and shall include cooperative, associative and community sectors […] TITLE VIII. INTERNATIONAL RELATIONS. Chapter One. Principles governing international relations. Art. 416. Ecuador’s relations with the international community shall respond to the interests of the Ecuadorian people, to whom those persons in charge of these relations and their executors shall be held accountable, and as a result: […] 12. It fosters a new trade and investment system among states, one that is based on justice, solidarity, complementariness, the creation of international mechanisms to monitor multinational corporations and the establishment of an international financial system that is fair, transparent and equitable. It rejects converting disputes with foreign private companies into conflicts between states.”

The Organic Law of Popular and Solidarity Economy (passed in April 2011) makes explicit reference to fair trade in its Art. 4 about the principles: “The persons and organisations referred to in this law will guide the execution of their activities with the following principles: a) the search for good living and common welfare; b) the priority of employment over capital and the priority of collective interests over individual interests; c) fair trade and ethical and responsible consumption; d) gender equity; e) respect of cultural identity; f) autonomy; g) social and environmental responsibility, solidarity and rendering of account; and, h) distribution of capital surplus based on equity and
solidarity”. **Art. 137**, about promotion measures, stresses that the state, among other activities, “d) fosters fair trade and fair exchange of products and responsible consumption”.

Among the national objectives for ‘Good Living’ underlined in the **“National Plan for Good Living 2013-2017”**, are **Objective 2.11 c)** “To create and strengthen fair mechanisms in the production chain of family-based agriculture and for alternative means of commercialisation, by promoting and strengthening the association of producers and their food sovereignty with the principles of equality, equity and solidarity [...]” **Objective 7.9:** “To promote conscious, sustainable, efficient consumption patterns with a criterion of sufficiency within the planet’s limits. [...] h) To establish and strengthen places in urban and rural areas for the commercialisation of sustainable goods and services, in particular of organic products that originate from a cultural background and that correspond with fair trade and Solidarity Economy criteria. [...]”. **Objective 8.9:** “To deepen the state’s relations with the popular and solidarity sector. [...] f) To regulate the production chain with regard to prices paid to producers and with regard to the definition of support prices in order to establish fair trade conditions and to reduce intermediation in popular and rural production [...]” **Objective 12.3:** “To deepen strategic and sovereign trade policy for the economic and social development of the country. a) To promote trade negotiations under fair trade conditions, by the application of Trade Agreements for Development (acronym ACD in Spanish), of the WTO Enabling Clause and by other instruments that are in alignment with the national policy objectives”.

The **Government Plan 2013-2017. 35 Proposals for the Socialism of Good Living**, envisages several programme proposals, among them, proposal No. 7. “The economy at the service of the people! Ecuador boosts new ways of production, of consumption, of commercialisation and of livelihoods and coexistence, putting the economy at the service of human beings”. Among the lines of action in this proposal the following stands out: “To promote fair and solidarity trade that prioritises economic, commercial and productive complementarity at the regional level and supports the reversal of the existing inequalities in international trade”.

In the **Organic Code of Production, Trade and Investments** (passed in November 2010) it states in Art. 4: “Goals: [...] s) to boost mechanisms that facilitate fair trade and a transparent market”; In Art. 5: The Role of the State: [...] e) “The implementation of trade policies is supposed to be at the service of the development of all producers of the country, especially of the producers belonging to the popular and solidarity economy and to micro, small and medium-sized companies, in order to guarantee food and energy sovereignty, economies of scale and fair trade, as well as strategic integration in the world market”.

In July 2014, the Ecuadorian Ministry for Foreign Trade presented the **Ecuadorian Strategy for Fair trade** to the National Secretary for Planning and Development (acronym SENPLADES, in Spanish), as a proposal for national public policies in the fair trade sector. In alignment with the general objectives of the national government, this strategy propounds as its two main structural objectives: “1. To construct new social relations and practices of production, commercialisation, distribution and consumption, based on justice, equity and co-responsibility. 2. To improve the quality of life of small-scale producers, handicraftsmen and workers, while enabling the sustainability of fair trade enterprises”, and four strategic themes: “1. Strengthening of the regulatory and institutional framework for fair trade; 2. The promotion of, and the stimulus for, fair trade; 3. Improvement of production and commercialisation processes and market openings for Fair trade products and services; 4. The strengthening of fair trade organisations and enterprises and promoting the offer of fair trade products and services”.

### 2.3. Brazil

The Brazilian legislative framework is very advanced with regard to the Solidarity Economy and fair trade. In May 2003, through **Law No. 10.638**, the **National Secretariat for Solidarity Economy** (acronym SENAES in Portuguese) of the Ministry of Labour was created. The SENAES, in line with the
mission of the ministry, coordinates all support activities for the Solidarity Economy at the national level.

The same law created the **National Council for Solidarity Economy** (acronym CNES in Portuguese), which is the advisory and consultative body for the constant exchange between the government and civil society actors in favour of the Solidarity Economy. It is composed of more than 50 entities from three different sectors: government, Solidarity Economy, businesses and non-governmental organisations that promote Solidarity Economy.

*Decree no. 5063/2004* approved the structures and positions of the Ministry of Labour. In its Art. 18 it names the competencies of SENAES. Among them, the following stand out: “1. To support the definition and coordination of public policies in support of a Solidarity Economy within the Ministry; 2. To articulate with civil society representatives, which help to determine guidelines and priorities for Solidarity Economy public policies; […] 10. To promote studies and investigations that contribute to the development and the dissemination of the Solidarity Economy”.

As a result of the first mapping of Solidarity Economy businesses the **National Information System for Solidarity Economy** (acronym SIES in Portuguese)” was set up in 2005. In the same year, about 18,000 Solidarity Economy businesses were registered and in 2007 about 22,000. The second general mapping took place between the years of 2010 and 2013. It included Solidarity Economy support and promotion agencies and those public policies in support of a Solidarity Economy.

In June 2006, the first **National Conference of Solidarity Economy** (acronym CONAES in Portuguese) took place as a space for dialogue between the Government and civil society to promote the Solidarity Economy. At the end of November 2014 the third National Conference in Brazil was held under the heading ‘Constructing a National Plan for a Solidarity Economy for the Promotion of the Right to Produce and Live in an Associative and Sustainable Manner’.

*Decree 7358 of November 2010* established the **National System for Fair and Solidary Trade** (acronym SCJS in Portuguese). Among its objectives, listed in Art. 3, the following stand out: “1. To strengthen the national identity of fair and solidarity trade by the dissemination of its concept, its principles and its good practice criteria and by promoting the national fair trade sector; 2. To foster the practice of fair prices for producers, merchants and consumers; 3. To disseminate the products, processes, services, experiences and organisations that respect the SCJS norms; 4. To support Solidarity Economy businesses, accreditation agencies and compliance assessment bodies and support agencies for the fair and solidarity Trade sector […]”.

With Ordinance 1780 of November 2014 the **Registry for Solidarity Economy Businesses** (acronym CADSOL in Portuguese) was created. Its objective is to publically recognise these businesses so that they may have access to national public policies in support of a Solidarity Economy and to other public policies, or to financial, commercialisation and service programmes. Art. 2. of the Ordinance defines Solidarity Economy Businesses as “collective organisations that have an associative character or go beyond the family with a permanent economic activity and whose members are workers of the urban or rural areas that democratically manage their work and allocate the results.

Several Brazilian fair trade organisations benefit from the specific policies and institutions described above, in addition to the already existing different support programmes for family-based agriculture. Among the latter, the following programmes exist: the **National School Feeding Programme** (acronym PNAE in Portuguese) that spends at least 30% of the funding for school meals from the National Education Development Fund of Brazil (acronym FNDE in Portuguese) for the purchase of family-based agriculture products; and the **Food Procurement Programme** (acronym PAA, in Portuguese).
3. The different territorial levels

3.1. Colombia
At the municipal level in Colombia the cities of Bogota and Medellin stand out. Decree no. 315 of 15 August 2006 (Bogota Capital District), by which the ‘Master plan for Food Supply and Security for the Bogota Capital District’ is adopted and other provisions are issued. In its Art. 2, Point 13, it stresses the rural and urban vicinity management networks: “a planned process that articulates and offers support services for the strengthening of producer organisations, of processors and distributors within a defined vicinity and which thrives, via agile and opportune management, for the optimisation of the development processes of these actors facing similar socioeconomic potentials and problems. Solidarity Economy and associativity are among the possible options for strengthening these vicinity management networks.” The Agreement No. 356 of the year 2011 (Medellin), “by which the public policy for social and solidarity economy in the Municipality of Medellin is adopted”. Art. 1 describes its objective as follows: to adopt the public policy for a social and solidarity economy in the Municipality of Medellin with the aim of contributing to an inclusive enterprise development of different associative and cooperative properties and labour entities, which produce and commercialise goods and services”.

3.2. Level of the decentralized autonomous governments: Ecuador
The Organic Law of Popular and Solidarity Economy refers to the competencies of decentralised autonomous governments in terms of a Popular and Solidarity Economy: Art. 133. on ‘Decentralised Autonomous Governments’ states- “the decentralised autonomous governments, as laid down in the respective law, [are] in the concurrent exercise of their competency to promote a Popular and Solidarity Economy [...]”. The Organic Municipal Regime Law, in its Art. 14 (17), has as its aim: “to contribute to the promotion of productive activity and commercialisation through support programmes for handicraft, microenterprises and producers of small industry, in coordination with national, regional, provincial and local agencies”.

In addition, various provincial and municipal ordinances refer to fair trade. One concrete example is the Ordinance of the Canton of El Guabo: (The ordinance for the reform of the functional organisational rules, which is the basis of the Economic and Productivity Unit of the Municipal Government of the Canton of El Guabo, 5th November 2009). In Art. 1 it declares it is to: “constitute the Economic and Productivity Unit of the Municipal Government of the Canton of El Guabo as an institutional advisory body with the following objectives: [...] - To train farmers and small-scale producers, handicraftsmen, etc. about quality standards such as the already existing ones (ISO) as well as those being introduced by importing nations in the future (GLOBALGAP). – To disseminate information about the certification processes, from the initial inspection to the issuance of the certificate. – To promote the search for niche markets which allow access into fair trade [...]”.

Another interesting example is the Constitution of the Management Department of Solidarity Economy of the Decentralised Autonomous Government of the Province of Pichincha.

3.3. State or local level: Brazil
In Brazil several federal states and municipalities have passed laws or decrees with regards to the promotion of a Solidarity Economy as well as certification policies for Solidarity Economy businesses or labels for Solidarity Economy products etc. The following federal states: Rio de Janeiro, Rio Grande do Sul, Bahia, Piauí, Pernambuco, Mato Grosso do Sul and the Federal District, and the following municipalities: Sao Carlos, Sao Jose dos Pinhais, Itatiai Londrina, Santa Maria, among others, stand out for their support of the Solidarity Economy sector.
4. Relevant institutional actors

4.1. Colombia

The Special Administration Unit for Solidarity Economy Organisations is the public entity belonging to the Ministry of Labour, which has the task to promote and strengthen Solidarity Economy organisations in Colombia (co-operatives, employee funds, mutual funds, foundations, associations, corporations, community organisations and volunteer groups).

The Superintendence for Solidarity Economy is a technical public agency with the task and competency to supervise the legal status and the activity of Solidarity Economy businesses. It works with quality standards in order to protect the interests of the associates and the community, to generate trust and strengthen the sector as an alternative to the social and economic development of Colombia.

4.2. Ecuador

The Ministry of Foreign Trade (acronym MCE in Spanish) counts among its new competencies “the establishment of public policies for fair trade, for inclusive trade and for consortia for external trade, with preferential treatment for microenterprises and actors of the Popular and Solidarity Economy”. The work within the MCE around fair trade is carried out by the Coordination Office for Export Promotion Policies, and also in cooperation with the Institute for the Promotion of Exports and Investments (acronym PROECUADOR in Spanish) and its Coordination Office for Inclusive Trade.

The Ministry of Economic and Social Inclusion (acronym MIES in Spanish) responsible for policies concerning economic inclusion and social mobility and the Institute of Popular and Solidarity Economy (acronym IEPS in Spanish), as the executive arm of MIES, via its Directorate for Exchange and Markets, has a facilitating role in exchange and market issues related to the Solidarity Economy and as a general promoter of a Solidarity Economy.

The Ministry of Agriculture, Livestock, Aquaculture and Fishing (acronym MAGAP in Spanish) and its Coordination Office for Commercial Networks/Alternative Commercialisation Circuits, as well as Agrocalidad is also linked to agricultural production. The Ministry of Industry and Productivity (acronym MIPRO in Spanish) aims to “boost mechanisms that facilitate fair trade and a transparent market”.

4.3. Brazil

The Brazilian Support Programme for Micro and Small Enterprises (acronym SEBRAE in Portuguese), a private non-profit organisation, which since 1972 has promoted the capacities and development of small businesses and enterprises. It has very good relations with Brazilian fair trade organisations and with the national network for fair trade (BrFair).

The “Secretariat of Family-based Agriculture of the Ministry of Agricultural Development” has as its mission the consolidation of the family-based agriculture sector at national level, the promotion of its sustainable development and human valorisation. Its principles are: “to interact in a participative, decentralised and articulated manner with the Federal States, municipalities and organised civil society”. The Secretariat has developed the “Label of Identification for Belonging to Family-based Agriculture” – (acronym SIPAF in Portuguese). Several Brazilian fair trade organisations sell their products in the local market with the label “Here we have Family-based Agriculture” (Portuguese: “Aquí Tem Agricultura Familiar”).

The National Programme for Incubators of Popular Co-operatives (acronym PRONINC in Portuguese) was created in 1995; its objective is the development of the incubation methodology of popular cooperatives and the diffusion of this technology among universities in the country, which through their research, development and extension programmes support small cooperative businesses.
The Brazilian National Supply Agency (acronym CONAB in Portuguese) is a public company established in 1990 that is linked to the Ministry of Agriculture, Livestock and Supply (acronym MAPA in Portuguese). Its objective is the management of agricultural policies and supply policies, with the aim of ensuring the fulfillment of Brazilian society’s basic needs and the stimulation of market mechanisms.

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2011; José Carlos Lazaro Silva-Filho, Flavio Leandro Batista de Moura Cantalice, fair trade (comércio justo) como um “Tópico Quente” internacional e sua abordagem no Brasil, Revista Eletrônica de Estratégia & Negócios, v.4, n.2.
2011; Haroldo Mendonça, COMÉRCIO JUSTO E ECONOMIA SOLIDÁRIA NO BRASIL E O PAPEL DA POLÍTICA PÚBLICA NA SUA PROMOÇÃO, IPEA - Instituto de Pesquisa Econômica Aplicada; Revista “Mercado de Trabalho, n. 49.
(s.f.); Faces do Brasil, O comércio justo e solidário no Brasil, http://www.facesdobrasil.org.br/cartilha-sncjs.html
2007; Gilberto Carlos Cerqueira Mascarenhas, O Movimento Do Comércio Justo E Solidário No Brasil: Entre a Solidariedade e o Mercado. UNIVERSIDADE FEDERAL RURAL DO RIO DE JANEIRO - UFRRJ,
In Colombia several universities are active in the field of Solidarity Economy and fair trade. The Cooperative University of Colombia has a ‘Specialisation in Senior Management and Solidarity Economy’ course a ‘Virtual Master in Solidarity Economy for Territorial Development’ course and several ‘Solidarity Economy professorships’. In addition, the university has an Institute for Social Economy and Cooperativism – (acronym INDESCO in Spanish). Furthermore, it has a convention with ‘The Colombian Confederation of Producers and Consumers promoting fair trade in Rural-urban Connections’ (Agrosolidaria).

The UniMinuto University in Bogota has a school for Solidarity Economy, which carries out research, projects and other activities that promote both a Solidarity Economy and fair trade. The school has a fair trade Working Group and a convention with Agrosolidaria and with the small-scale producers’ fair trade organisation, Cooperative of the Southern Cauca, (acronym COSURCA in Spanish), which sells its coffee directly to the university. The Javeriana University, Bogota offers a ‘Specialisation in Business Management in the Solidarity Economy Sector’ course and it organises international Solidarity Economy weeks.

6.2. Ecuador

The Electronic Observatory for Solidarity Economy and Fair trade has been in existence since 2013 and is facilitated by the Equinoccial Technological University. It is a forum for academic analysis of the Solidarity Economy and fair trade in the country.

In December 2014 the Academic Network of Ecuadorian Researchers in Fair trade was established with its members belonging to the following universities: Latin American Faculty of Social Sciences (www.flacso.org.ec), Pontifical Catholic University of Ecuador, (www.puce.edu.ec), Simón Bolívar Andean University (www.uasb.edu.ec), Equinoccial Technological University (www.ute.edu.ec), Central University of Ecuador (www.uce.edu.ec), International University of Ecuador (www.uide.edu.ec), National Polytechnic School (www.epn.edu.ec), Higher Polytechnic School of Chimborazo (www.espoch.edu.ec).

6.3. Brazil

In Brazil, different universities have important research programmes or groups related to the Solidarity Economy and fair trade. Among these are: the “Unisinos - Universidade do Vale do Rio dos Sinos” with its ‘Research Group in Solidarity Economy’ (https://blogecosol.wordpress.com/), which also supports the Latin-American Network of Researchers in Solidarity Economy (acronym RILESS in Portuguese; http://riless.org/es/). RILESS is a joint initiative of the UNESCO University Chair ‘Labour and Solidarity Society’ of UNISINOS and the ‘Masters in Social Economy’ at the General Sarmiento National University – UNGS (Argentina). RILESS also cooperates with the Latin American Faculty of Social Sciences (Ecuador) and the University Michoacana (Mexico). RILESS coordinates the journal ‘A
Different Economy’, which has published several articles about fair trade (http://revistas.unisinos.br/index.php/otraeconomia).

In addition, the following related courses are available at the **Federal University of São Carlos**: the ‘Specialisation in Solidarity Economy Management’ as well as the ‘Multidisciplinary Integrated Centre for Solidarity Economy Studies, Teaching and Advocacy’ (acronym NuMI-EcoSol in Portuguese); the “**Unifai - Centro Universitário Assunção**” teaches a programme on ‘Specialisation in Solidarity Economy, Philosophy and Education’; the **Universidade Estadual de Campinas** – UNICAMP - with the ‘Specialisation Course in Solidarity Economy and Social Technology in Latin America”; and the **University of São Paulo** has a ‘Centre of Solidarity Economy’ center.

Finally, it is worth mentioning that a close cooperation and interaction exists between the Brazilian universities that have started the programme ‘Solidarity Economy Incubators’, which is an excellent example of university extension practice. The nation-wide **University Network of Technological Incubators for Popular Co-operatives (acronym Red de ITCPs, in Portuguese) has already been around for several years**.

6.4. **The “Latin American Universities for Fair Trade” campaign**

Following the example of similar campaigns in Europe, North America and Australia, the CLAC has initiated in August of 2014 “Latin American Universities for Fair trade”. Given the importance of the academia in all advocacy and public policy influencing processes, the Latin American campaign focuses much more in the part of research and publications.

The criteria for the campaign are the following:

1. The university passes an **institutional statement in support of fair trade and signs an agreement** at least with one of the following actors: a) the National Fair trade coordination member of CLAC, b) the corresponding national platform of WFTO-LA; c) a Small Producers Organizations (Fair trade International, WFTO or SPP), d) other fair trade experiences, involving democratic organizations of small producers in the area of social and solidarity economy of the country in question.

2. The university sets up a **fair trade Working Group and supports fair trade and responsible consumption initiatives**, among others, for instance, the celebration of the World Fair trade Day (second Saturday of May each year).

3. The university (or at least one department) adopts a **new procurement and supply policy**, buying directly from Small Producers Organizations (Fair trade International, WFTO or SPP), or other fair trade experiences involving democratic organizations of small producers in the area of Social and Solidarity Economy of the country in question).

4. The university promotes, at least, one **academic research or publication once a year** in which the topics of Social and Solidarity Economy, fair trade and Responsible Consumption are dealt with.

5. The university offers one **academic course** every year which deals with the topics of Social and Solidarity Economy, fair trade and Responsible Consumption.
B. Public Policies in Support of fair and solidarity trade in Europe: the cases of France, Italy and Spain

7. Supranational Level: European Framework for fair trade

7.1. Introduction: EU piecemeal approach towards fair trade so far

At the European Union (EU) level, there is no fair trade-specific legislation. Although fair trade has been mentioned in relation to several EU policy areas over the past decade, there is no common policy framework for all 28 Member States and these policies remain genuinely a national or a regional competence. The EU approach towards fair trade has varied significantly among EU institutions and over time. The most remarkable recognition so far has come from the European Parliament. The Resolution *Fair trade and development* voted in 2006, already called for EU-wide support for the concept of fair trade, as well as its mainstreaming in all the EU policies.

The European Commission’s response to the afore-mentioned Resolution did not address most of its demands. Instead, the Commission in its Communication of 5 May 2009: “*Contributing to sustainable development: the role of fair trade and non-governmental trade-related sustainability assurance schemes*” took a ‘hands-off’ approach. The fair and solidarity trade movement welcomed the reference to the definition of fair trade as defined by the Charter of Fair Trade principles¹ but regretted, that the Commission only looked at fair trade from a technical perspective, considering it yet another ‘sustainability’ label. This Communication remains, in the words of the Commission, “the cornerstone of the EU policy on private sustainability-bound schemes”.

With regard to the role of local and regional authorities, the Committee of the Regions² highlighted the role of local and regional entities as “important players in a fair trade policy” in its Opinion in response to the 2009 Commission Communication. It insisted on the need for a “European fair trade Strategy” for Local and Regional Authorities, which unfortunately, was not followed up by the European Commission. Although fair trade hasn’t been addressed comprehensively, there have been some interesting developments in the two main policy areas that refer to this topic: trade and development. Although led by different Directorate-Generals inside the Commission, the coordination of the two lies with the trade division. Consequently, fair trade-specific policies fall within the scope of trade and sustainable development in the Directorate-General for Trade.

7.1.1. Trade

In this area there have been some interesting developments since the 2009 Commission Communication. The *Trade, growth and development Communication* lays out the EU’s trade strategy towards developing countries for the next decade. With regards to fair trade, it recognises that it can, among others, “be an effective way to foster sustainable and inclusive growth” for these countries. It also mentions some ways in which EU sustainable development can be promoted within a ‘values-based’ trade agenda: by “encouraging its partner countries to promote fair and ethical trade; by further facilitating fair and ethical purchasing choices by public authorities in Europe in the context of the upcoming review of the public procurement Directives”.

Among the proposals, a ‘small operators in developing countries package’ is foreseen which includes support to the “participation of small businesses in trade schemes that secure added value for producers, including those responding to sustainability (e.g. fair, ethical or organic trade) and geographic origin criteria in development cooperation with third countries”. Despite recognising


² Committee of the Regions Opinion "Contributing to sustainable development: the role of Fair trade and non-governmental trade-related sustainability assurance schemes" COM (2009) 215 final, 10 February 2010
the added value of fair trade and giving some hints on how to promote it, the Communication fails to put forward either a coordinated set of actions to support the economic development strategy of Fair trade or an Action Plan to encourage the uptake of it by citizens, companies and public authorities.

As announced in the afore-mentioned Communication, the Commission has systematically included Sustainable Development Chapters in the recent trade agreements that it has signed with third countries. In those chapters, specific mention is made of the promotion of ‘fair and equitable trade’ within those agreements (for instance article 324 of the Trade agreement between the European Union and Colombia and Peru and article 288 of the EU-Central America Association Agreement, article 195 of the EC-Cariforum Economic Partnership Agreement contains a similar language). To date the support for fair trade has not been translated into any concrete measures in favour of small producers in any of the countries with which the EU has signed those trade agreements.

7.1.2. Development

With regards to development cooperation, the private sector agenda of the European Commission has considered fair trade among the possible ways in which companies can switch to sustainable supply chains and production patterns\(^3\). In addition, it states that: “fair and ethical trade’ should be promoted “in the international CSR guidelines and principles through policy dialogue and development cooperation with partner countries”.

Another achievement for fair and solidarity trade has been its inclusion in the Development Cooperation Instrument for the 2014-2020 period, which is the main funding instrument for development aid at EU level. Concretely, fair trade is mentioned in the Programme on Global Public Goods and Challenges\(^4\).

7.1.3. Sustainable Consumption and Production

In this area, the Council of the European Union in its Review of the EU Sustainable Development Strategy of 2006 already proposed that “Member States should support information campaigns with retailers and other organisations to promote sustainable products inter alia fair trade products”. However, no mention of fair trade was made in the Last Review of the European Union Strategy for Sustainable Development or on the Sustainable Consumption and Production Action Plan. The most remarkable development in this area is the revised public procurement Directives from 2014. They represent a great step forward for the inclusion of fair trade criteria in calls for tenders. In the previous Directive, social considerations were not expressly mentioned in the text of the Directive, which led to some ambiguity as to how far public authorities could go in their socially sustainable requirements. The admissibility of fair trade specific criteria had to be clarified by the Court of Justice of the European Union in 2012\(^5\). Concretely, the 2014/24 Directive on public procurement established that the award criteria or contract performance conditions can “relate to the supply or utilisation of fair trade products in the course of the performance of the contract to be awarded” which is in accordance with the previously mentioned case law.

In conclusion, despite the number of policy documents that include references to fair trade, no concrete steps have been undertaken towards adopting a comprehensive and pro-active approach to the promotion of Fair trade at European level.

\(^3\) Communication from the Commission, “A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries”, COM(2014) 263 final, 13/05/2014.


\(^5\) Case C-386/10, Commission v Kingdom of the Netherlands, judgement of May 2012
7.2. Windows of opportunity to promote fair trade at EU Level

The post-2015 development framework replacing the Millennium Development Goals is the best tool to position fair trade as a key contribution to both sustainable development and poverty reduction objectives at all policy levels: international, national, regional and local. Besides specifically supporting fair trade in its implementation plans, there is an even greater need to promote trade justice principles, as highlighted by the European Parliament. In its report on the topic, the Parliament explicitly “calls for a new global framework that creates a more equitable and sustainable trade scheme based on dialogue, transparency and respect that seeks greater equity in international trade”, and puts forward fair trade as an example of a successful partnership.

The revision of the EU Aid for Trade strategy and the upcoming Trade Communication by the Directorate-General for Trade laying out the future Commission’s Trade strategy represent two opportunities to put fair trade at the forefront of EU sustainable trade policies.

7.3. Local and regional support for fair trade in Europe

There are already many examples of fair trade promotion at local and regional level: the Fair trade Towns campaign gathers to date more than 1,500 communities in Europe. This international campaign, which started in Garstang in 2000 has spread to the five continents, although the large majority of cities are to be found in Europe.

All national Fair trade Town campaigns share (with some nuances) the five founding core goals. These goals are the foundation for a strong local and national campaign and ensure that many different groups and organisations are involved in a campaign.

The core five goals are:

1. Local council passes a resolution supporting fair trade, and agrees to serve fair trade products (for example, in meetings, offices and canteens).
2. A range of fair trade products are available locally (targets vary from country to country)
3. Schools, workplaces, places of worship and community organisations support fair trade and use fair trade products whenever possible
4. Media coverage and events raise awareness and understanding of fair trade across the community.
5. A fair trade steering group representing different sectors is formed to co-ordinate action around the goals and develop them over the years.

In some countries the concept of fair trade provinces and regions is also becoming very popular. Both Wales and Scotland in the United Kingdom have declared themselves fair trade nations. In Germany, a number of the good practices are encouraged by the German fair trade Capital award.

Although recognition of, and support for, fair trade have improved across Europe, awareness levels vary widely between and within different EU Member States. Whereas a large proportion of the population, over 50%, are familiar with the Fairtrade label in Northern and Western Europe, this concept remains largely unknown in Central and East European countries, as pointed out by a recent study has been published by the Committee of the Regions on “local and regional authorities promoting Fair trade” (3/2015). This study has been drafted in support of the own-initiative opinion on ‘Local and regional support for fair trade in Europe’ is on course to be adopted by the Committee of the Regions.

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6 The ‘EU Strategy on Aid for Trade: Enhancing EU support for trade-related needs in developing countries’ of 29 October 2007 already mentioned that “possibilities for developing shared EU approaches to relevant sustainability claims systems, including Fair trade, in consultation with stakeholders, in particular local ones and small producers” will be explored.
8. National Level

8.1. France

8.1.1. National Legal Framework

The French national legal framework on fair trade is mainly composed of laws and decrees. There is no direct mention of fair and solidarity trade at Constitutional level. However, the French Constitution does certainly refer to the commitment of the French Republic to the development of third countries, particularly those of ‘Francophonie’ (French-speaking nations) (articles 87 and 88). It also specifies within its Environmental Charter of 20047 that public policies are aimed at promoting sustainable development and at reconciling economic development with social progress and environmental protection (article 6). This Charter is expected to inspire and guide the actions of the Republic both nationally and internationally (article 10).

In addition to the general constitutional framework, fair trade in France was firstly regulated by Law nº 2005-882 of 2 August 2005’. Although this was a rather general law, it provided a definition for fair trade. In this regard, article 60 considers fair trade as “those exchanges of goods and services between developed countries and disadvantaged producers of developing countries aiming at establishing long-lasting relations that ensure economic and social progress of those producers”. Fair trade falls within the scope of the national strategy for sustainable development. In addition, it foresaw the creation of a national commission on fair trade and gave a special role to those organisations ensuring respect for fair trade conditions.

The recently passed law on social and solidary economy (Law nº 2014-856 of 31 July 2014) aims at promoting this concept in France. Most importantly, the law enlarges the definition of fair trade via its article 94, by which fair trade is no longer confined to the relations between the North and the South. In this regard, article 94 recognises the possibility of having North-North fair trade relations. Ultimately, it also obliges the companies of fair trade products and services to provide information on the traceability of their goods and services. Fair trade is therefore defined as “the type of trade aiming at ensuring economic and social progress of those workers in a disadvantaged economic situation, whether it is related to their scarcity, their remuneration and their skills”. Fair trade must also comply with the following conditions: (1) be the result of a long-lasting commitment (at least 3 years) enabling the limitation of the impact of economic hazards, (2) the payment of the purchaser must include the remuneration of the employees, established under the basis of a balanced negotiation of the costs of production, and (3) the provision by the purchaser of an additional amount of money intending to reinforce the capacities and the autonomy of the employees and the organisation itself.

Although a decree by the French Council of State is still needed to define properly what is understood by a ‘disadvantaged economic situation’, this law brings significant improvements. By making the traceability of products a prerequisite, it ensures the proper use of the term and labels, and diminishes the risk of improper uses. Finally, the law also refers to fair trade in Article 9 as an “element of development”.

8.1.2. International Agreements

Internationally speaking, the most relevant piece of legislation is the 2013 bilateral agreement of cooperation between France and Ecuador in the field of social and solidary economy and fair trade. This agreement defines ten different objectives, mainly focused on certification and labelling.

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7 Loi constitutionnelle n° 2005-205 du 1er mars 2005 relative à la Charte de l’environnement.
exchange of best practices, promotion of fair trade and training programmes. These four categories cover all the processes involving fair trade, from political action to production. The agreement foresees a working group to monitor the working programme. Although the agreement does not have precise goals to promote fair trade, it represents an important step forward as it is aimed at fostering fair trade exchanges between both countries. Moreover, the agreement goes beyond classical trade relations in order to include the exchange of best practices and technical assistance as main objectives of the agreement. Ideally, this agreement will not only boost French imports of fair trade products from Ecuador, but it will also help to better coordinate policy support for fair trade in both countries.

A similar cooperation agreement on exchanges of best practices on social and solidarity economy, in particular solidarity-based finance, fair trade and solidary tourism has been signed with Bolivia. Cooperation possibilities in this area have also been explored with Brazil.

8.1.3. Commission Nationale du Commerce Équitable (National Fair Trade Commission)
Two years after the approval of the 2005 law, the French government approved the Decree nº 2007-986 of 15 May 2007 taken for the application of Article 60 of the Law nº 2005-882 of 2 August 2005 in favour of SME, by which the Commission Nationale du Commerce Équitable (CNCE) was created. It is composed of politicians in charge of fields related to fair trade, civil society organisations, trade organisations, consumers’ rights organisations and other relevant stakeholders. Rather than creating its own label, the Commission is mainly tasked with officially accrediting the fair trade organisations and of guaranteeing the recognisability and the truthfulness of the labels of these organisations. Although the CNCE was not modified by the Law 2014-856 of 31 of July, the project of Law for Growth, Activity and Equal Economic Opportunities, currently in parliamentary procedure, foresees the suppression of the CNCE and the assumption of its competences by the Commission de Concertation du Commerce (Commission of Consultation of Trade, ‘3C Commission’). The French Government alleges that the CNCE had not managed to comply with its obligations and had not met since 2012.

8.1.4. National Fair Trade Action Plan
France was the first European country to adopt a comprehensive Action Plan on fair trade in April 2013\(^8\). This national Action Plan was drafted in close consultation with the Ministries of Development, Social and Solidary Economy, Trade, Crafts and Tourism and that of Agriculture, along with key actors in the sector. The main goal of the Action Plan is to substantially increase the amount of fair trade products for household consumption, multiplying the amount of Southern producers benefiting from French fair trade consumption and doubling by 2018 the amount of jobs in the sector in France.

Five overall objectives are identified.

1) To stimulate the supply of fair trade products in the South.
2) To increase the amount of fair trade products sold in the North.
3) To build up confidence in labels among consumers.
4) To re-balance production chains in favour of producers.
5) To provide institutional support to the main actors and promote Fair trade principles.

Within these five lines of action (or big objectives), we find specific actions described, such as the creation of pilot projects to promote fair tourism and the reinforcement of fair trade within the French strategy of cooperation, or capacity-building initiatives, in Southern countries.

\(^8\) http://www.diplomatie.gouv.fr/fr/IMG/pdf/plan_national_commerce_equitable_cle0d5449.pdf
initiatives count on specific campaigns to promote fair trade products and to raise awareness (“Fair trade fortnight”) or the promotion of fair trade via public procurement. Other actions are mostly institutional, such as the already mentioned reform of the CNCE to make it more functional. The plan accounts for a budget of €7 million over three years, and monitoring reports are expected to be presented yearly.

8.1.5. North-North fair trade
The French Fair trade Platform and the Network of Alternatives for an Agriculture based on Citizens and the Territory have recently jointly signed a ‘Local fair trade Charter’ which includes fundamental fair trade principles that apply to sustainable agriculture in France. The Charter is based on the following three principles:

1) engagement in responsible and fair commercial relations
2) engagement in favour of a sustainable and citizens-based agriculture
3) engagement in favour of a change in commercial practices

8.2. Italy
8.2.1. National Law on fair trade (proposal)
In recent years, the Italian Parliament has made various attempts to adopt a regulation on fair and solidarity trade. The first proposal dates back to 2006. Two subsequent proposals followed in 2012 and 2013, with an identical text. The last proposal for a National Law on fair trade⁹ was introduced by the Italian Parliament in October 2014. At present, the proposal is still being discussed by the Italian Parliament.

This legislative proposal serves various purposes: the first one is an official recognition of fair and solidarity trade operators by establishing some parameters for fair trade; the second one is the creation of a unique certification system in order to ensure transparency in the production methods. The government’s support for fair trade is provided through facilitating access of fair trade products into the Italian market.

The draft fair trade law lays down some general definitions concerning the concept of fair and solidarity trade itself, its producers, the products and the organisations. Furthermore, it institutes a national register for organisations recognised by the certification bodies (see below) as fair trade entities. The text foresees the creation of 3 regulatory bodies:

1. Particular ‘authorities’, called ‘representative entities’. These are non-profit bodies founded on a democratic basis. They control whether the fair trade organisations abide with the rules established under national law. They also have a precautionary responsibility with the power to suspend (or even delete) the enrolment of fair trade organisations in the national register.

2. Fair and Solidarity Trade certification organisms, private law and non-profit entities allowed by the national commission (see below). They certify the fair trade origin of products (different from the ones sold by recognised fair trade organisations).

3. A national commission (under the supervision of the Economic Development Ministry) whose competencies are: surveillance, decisions, management of the national fair trade register, as well as the accreditation of the organisations in the fair and solidarity trade national system.

Fair trade is promoted in 4 different ways:

1. Support for awareness initiatives and educational programmes in schools;
2. The award of grants to fair trade actors;
3. The public consumption of fair trade products (public bodies can give a preference to fair trade products, with the possibility of being partially reimbursed for the higher costs).
4. The involvement of the fair trade actors in the organisation of the fair trade national day.

Furthermore, amongst other advantages, different fiscal advantages for the fair trade sector are foreseen by the law. At present there is no official definition of fair trade; the main reference would be the AGICES -the Italian General Assembly of Fair and Solidarity Trade- charter which is not a regulatory act, but just a statement endorsed by the main actors’ association. The national code on public procurement and its accompanying regulation do not mention any fair trade criteria.

8.3. Spain
There is no legal framework as such at the level of the Spanish State. However, we do find some provisions where fair trade is specifically addressed. In this regard, we must consider the spheres of activity covered by public administrations. On the one hand, at a national level, this legal support is reflected in several non-legislative motions and in the regulations on international cooperation and development. In addition, fair trade has been included in programs in the field of sustainability and public procurement. On the other hand, at a regional level, there are a number of autonomous communities that recognize fair trade in their own cooperation laws, in non-legislative motions and through resolutions adopted by regional parliaments. Furthermore, many municipalities have supported fair trade through motions and official statements.

The Spanish Congress of Deputies' Non-legislative proposal in support of Fair trade (28/09/2012) was presented by the so-called Mixed Group (which includes crossbenchers and representatives from minority parties), amended and finally adopted by the International Cooperation Commission on Development of the Congress of Deputies on 28 September 2012. The motion urged the Government to “[…] examine and propose measures in order to promote fair trade and responsible consumption […] in both the public and private sector, to draft proposals on public procurement, fair trade and ethical purchasing and education campaigns targeting both citizens and private companies […].”

Although they do not exclusively deal with fair trade, some references to fair trade can be found in several legislative proposals and non-legislative motions.

In the area of public procurement, the Non-legislative proposal for the incorporation of social and environmental clauses in public procurement (23/06/2009), adopted on 23 June 2009 by the Congress of Deputies, urged the Government to promote a socially responsible management of public administrations through actions favouring the incorporation of social and environmental clauses in public procurement, under the provisions foreseen by the Public Sector Contracts Act (30/2007).

The Act 30/2007, of October 30 on Public Sector Contracts, was adopted in 2008 and represents a great step forward in terms of integrating ethical, social and environmental criteria in public procurement, as reflected in Part IV of the act’s explanatory statement. In addition, the concept of fair trade is linked for the first time to administrative contracts (article 102). This underlines the Spanish Government and Congress’ objective of favouring the purchase of fair trade products through public procurement processes. At the end of the act, namely in the Sixth Additional Provision, a specific mention allows for contracts that include products with a fair trade alternative to be favoured in public procurement.
A new bill on Public Sector Contracts is currently in the process of being adopted. The bill is still pending and introduces some important developments in the field of fair trade. The bill states that, after taking into account the criteria for the award of a contract, some tiebreakers may be included by the contracting authorities in the particular conditions. Among these tiebreakers, we can find a preference for contracts targeting products with a fair trade alternative provided by officially recognized fair trade organisations, provided that such propositions equal the terms of the most advantageous tenders.

In the 2005-2008 Master Plan of the Spanish Agency for International Development Cooperation (AECID), the Spanish Government established the promotion of fair trade as one of its strategic objectives and intervention criteria. This promotion was carried out through education for development and by raising awareness among the Spanish society. In addition, support for cooperatives in southern countries, namely fair trade producer groups, can be found among the plan's sectorial priorities. The 2009-2012 Spanish Cooperation Master Plan has also continued supporting the fair trade movement. The Act 23/1998, on International Development Cooperation, included support for fair trade for the first time in a national act of this kind. In clause 13, the act refers to education for development and social awareness.

9. The different territorial levels

9.1. France
In France, local authorities have the competence to sign agreements with counterparts in foreign countries, provided these agreements are in line with central government policy. The French system therefore offers a strong model of decentralised development cooperation in practice. There are many examples of cities and regions in France which have put in place a system of decentralised cooperation based on fair trade principles: some are based on support for structuring production chains (providing training to producers, improvement of production and transformation methods, diversification of products, and reinforcement of a cooperative structure), some are based on fostering the fair trade offer.10

The campaign “Térritoires de commerce équitable”11 is part of the International Fair trade Town campaign and counts in France with 40 communities which have been awarded the title. Among these there are several regional councils such as: the Loire Region, Aquitaine, Rhône-Alps, Ile-de-France and Nord Pas de Calais. The Loire Region for instance celebrates since four years the annual gatherings of Fair trade actors in the region.

9.2. Italy
Given the lack of national fair trade regulation, some regions have created their own legislation. Out of 20 Italian regions, 13 have passed a law on fair and solidarity trade. The pioneers are Tuscany (Regional law 24/2005) and Friuli-Venetia Giulia (Regional law 29/2005).

Each regional law has its own features, but it is possible to find some similar structures.

Regarding the motivation to adopt legislation in this area, Tuscany, Abruzzi (Regional law 7/2006), Umbria (Regional law 116/2007), Puglia (Regional law 32/2014) and Marche (Regional law 8/2008) support fair trade because they consider it promotes an engagement between different cultures, supports economic and social growth in developing countries, and respects human rights. Liguria

11 http://www.territoires-ce.fr/s/
(Regional law 32/2007) and Emilia-Romagna’s (Regional law 110/2009) main drive is not only economic but also the promotion of social justice; in addition to the development of a sustainable production model based on cooperation and respect for people and the environment. Piedmont’s (Regional law 26/2009) law supports fair trade to facilitate commercial links with Southern small producers, to give them dignity and promote their economic and social growth.

Veneto’s (Regional law 6/2010) fair and solidarity trade legislation is motivated by the recognition of its social and cultural value as a form of cooperation which aims to establish commercial relations with small producers and value their organic and local production.

A general motivation based on justice is given by Friuli-Venezia Giulia, Lazio (Regional law 20/2009) and Trentino (Provincial law 13/2010). In these laws fair trade is supported alongside other values such as ‘organic’, ‘alternative economy’, ‘economic solidarity’ and ‘corporate social responsibility’. In addition to fair and solidarity trade, the above mentioned laws take into account other topics such as ethical finance, critical consumption, organic agriculture and responsible tourism.

With regards to the definition of **fair and solidarity trade**, it is possible to find some similarities between Liguria, Marche, Emilia-Romagna, Piedmont, Lazio, Puglia and Veneto. They all provide a broad definition of fair trade that, in spite of some differences, contains similar fair trade principles (the payment of a fair price; respect for worker’s and human rights; environment protection; transparency and so on).

By contrast, a completely different approach has been chosen by Tuscany, Friuli-Venezia Giulia, Abruzzi and Umbria. All of them adopted a short definition of fair trade based on different criteria: Tuscan law defines fair trade as consumer behavior; Friuli only acknowledges fair trade if the retailing of fair trade products comes from developing countries, on the basis of the European Parliament Resolution 19 January 1994; Abruzzi only acknowledges fair trade if retailers comply with AGICES standards; finally, according to Umbrian law, fair trade is an alternative approach to conventional trade based on justice and social values.

Another relevant point, which is covered by the regional regulations, is the **definition and identification of fair trade products**. In particular, Trentino, Veneto, Emilia-Romagna, Marche, Liguria, Piedmont, Puglia and Lazio define fair trade goods as those sold by recognised fair trade organisations or that carry the Fair trade label (according to international and/or national standards ex. AGICES or Fair trade International) while Abruzzian, Tuscan and Umbrian laws refer back to the definition of fair trade products to a specific regionally implemented regulation. Finally, Friuli-Venezia Giulia defines fair trade products in accordance with the European Parliament Resolution of 19 January 1994.

As far as the definition of **fair trade organisations** is concerned each region has a different level of precision. The least precise is the definition provided by Lazio and Trentino, which require only that fair trade subjects act in line with AGICES (or international fair trade standards). Tuscan and Abruzzian laws, on the other hand, define fair trade organisations as the ones enrolled in a regional public register in line with AGICES (or international fair trade standards). Turning to Marche, its regulation merely establishes 3 criteria for fair trade organisations: they have to be non-profit, of a collective nature and democratically organised. All the others regions, in a similar vein, require organisations to present all of these features in order to be recognised as a fair trade organisation. The only one which precludes fair trade organisations from taking the legal form of a company, is the law adopted by Friuli-Venezia Giulia. Commitments in the area of public procurement are to be found in the Veneto, Lazio, Trentino, Tuscan, Friuli-Venezia Giulia, Abruzzian and Umbrian laws. They explicitly mention that **preference will be given to fair trade products in calls for tenders**. All the other regions only provide for the use of fair trade goods by public entities.
In order to promote fair trade, all the regions, except Friuli-Venezia Giulia, organise a fair trade regional day. Almost all of the laws foresee awareness activities and subsidies in different forms. Only the Umbrian law has the distinguishing characteristic of inserting fair trade provisions and commitments into the framework of international cooperation initiatives. Finally, financial support is foreseen by the following regions: Umbria, Liguria, Marche, Emilia-Romagna, Piemonte, Lazio, Puglia, Veneto and Trentino.

The case of Lombardy

Lombardy is the last region to adopt fair trade regulation (Law adopted on 21st April 2015). Although the final text is not available yet, it covers issues not addressed by all the other regional laws, like North-North fair trade, which is a novelty compared to the approach by the other regions. In fact, the regulation aims to protect and support, not just the products coming from the South, but also the short supply chain circuits in Lombardy. This is particularly important, as Lombardy has the highest concentration of fair trade shops, and the biggest volume of fair trade sales in Italy.

9.3. Spain

9.3.1. Regional framework

In Spain, regional references to Fair trade are limited, and no specific legal framework regulating fair trade has yet been adopted. However, some autonomous communities include fair trade within their legislation or development policies.

The following institutions have adopted non-legislative motions on the promotion of fair and solidarity trade: the Parliament of the Basque Country (12 June 1995), the Assembly of Madrid (19 June 1996), the Parliament of Catalonia (20 December 1996), the Parliament of Andalusia (30 May 2005) and the Government of the Balearic Islands (April 2009). In addition, the Parliament of Navarre has adopted a resolution (16 March 2006) on the promotion of fair trade and responsible consumption.

The autonomous communities that include fair trade in their development policies are: the Government of Extremadura (27 February 2003), the Government of Castile and León (10 October 2006) and the Basque Government (22 February 2007).


9.3.2. Local framework

Several Spanish municipalities have expressed their political commitment in favour of fair trade. This has taken the form of official statements or motions: Barcelona, Badalona, Zaragoza, Córdoba, Laredo, Espejo, Madrid, San Sebastián de los Reyes, Vitoria, Granada, Seville, Málaga, Fuenlabrada, León, Huelva, Torrelavega, Leganés, Las Palmas de Gran Canaria, Puerto Real, Hellín, Puçol, Mahón, Rivas, Comillas. Many of these municipalities have managed to become, according to what is established by the European program that carries the same name, “Fair trade Towns”. The Spanish towns that have been awarded this status are the following: Córdoba, Bilbao, Espejo (Andalusia), Getxo (Basque Country), Laredo (Cantabria), Legazpi (Basque Country), León, Madrid, Málaga, Orihuela (Valencia), Puerto Real (Andalusia) and Torrelavega (Cantabria).

10. Academia and basic fair trade bibliography

10.1. France

The “Fairness” network brings together French-speaking researchers and academics (coming from France, Belgium, Canada and Switzerland) that work mostly on fair and solidarity trade and
alternative exchanges. This organization, along with Fairness United Kingdom, organizes conferences (the most relevant being the Symposium), sponsors publications, and fosters collaboration among academics. Fairness is part of the French Fair trade Platform. The latter organizes every year the fair trade summer school. We must highlight the following publications about Fair trade in France:


10.2. Italy

Universities which also develop research about fair and solidarity trade and should be mentioned here are: AICCON - Associazione Italiana per la Promozione della Cooperazione e della Cultura - a non-profit research centre sponsored by the University of Bologna; the Alliance of Italian Cooperatives and other public and private entities in the field of Social Economy (http://www.aiccon.it/). Its headquarters is located in the School of Economics, Management and Statistics Forli - University of Bologna. "ECONOMETICA - Centro interuniversitario per l’etica economica e la responsabilità sociale di impresa, promoted by six universities (Bicocca and Bocconi, Milan, University of Trento, Siena, Bologna and Verona) and with many other partner universities (http://www.econometica.it/). Below are listed some fair and solidarity trade publications in Italy:


2006; Antonella Sciarrone Alibrandi (coord.), “Quali norme per il commercio equo e solidale”, Working Paper n. 4, Università Cattolica del Sacro Cuore, Centro di Ricerche sulla Cooperazione.

10.3. Spain

We must highlight the important role that universities can play within the European "Fair trade Towns" programme. The "Universities for Fair trade" programme is coordinated at a Spanish national level by the fair trade organization IDEAS, which has the backing of the European Commission and that of the Spanish Agency for International Development Cooperation (AECI, by its Spanish acronym). This status was awarded for the first time in 2003 to the University of Oxford. In 2009, more than 75 universities had already been awarded this distinction. The Spanish universities that have been awarded this status are: Alcalá, Cantabria, Córdoba, Jaén, Jaume I (Castellón de la Plana), Málaga and Valencia. Of particular interest to fair trade are the following publications in Spain:


2014; Olga Navarro-Flores, Corinne Gendron, Arturo Palma Torres, Véronique Bisaillon, Comercio justo: hacia nuevas formas de gobierno en el intercambio global; Txalaparta, 1ª edición.

2014; Joaquín Calvo Sánchez, Aurelio Villa Pérez, José Luis Ángel Vega, «Tipología de consumidores de productos de Comercio Justo y variables que inciden en su compra»; Revista española de estudios agrosociales y pesqueros, Nº 237, 117-154.

2013; Ana Belén Casares Marcos; «Vías instauradas por el legislador español para garantizar la incorporación del comercio justo a los contratos públicos»; Contratación administrativa práctica: revista de la contratación administrativa y de los contratistas, Nº. 124, 58-77.

2006; Esther Vivas and Xavier Montagut (coords.), ¿Adónde va el comercio justo?, Icaria.
Conclusions

This first phase of a wider research process has highlighted the need to deepen the research about fair and solidarity trade in Latin America as well as in Europe. Furthermore, there is the need to link up the research with the design of public policies that support the endogenous development of fair trade small farmers and artisans.

In addition, these six examples, from the “old” as well as the “new” continent, show the following finding: in the Latin American cases we find public policies at national as well as local level, with a strong focus on social and solidarity economy, where fair and solidarity trade is one expression among that wide range; in European countries (with the exception of France which already counts on a law on Social and Solidarity Economy), the focus is solely on fair and solidarity trade.

The Latin American cases show different public policies at national level, whole in Europe the focus is more supra national and local. In addition, in many European Union countries there is a high degree of decentralisation of local and regional competencies, so that local institutions have the autonomy to establish relations with their counterparts in third countries. This ‘local diplomacy’ is usually based on classic development cooperation policies and, in the case of fair trade, based on supporting production and commercialization. However, these can easily be combined by promoting the consumption of ethical products at public level (as we have seen, there is a legislation at European level on public procurement that provides this option) and also at private level. Among the analysed cases, the decentralisation is also evident in the Brazilian case, where there are many State and local laws that foster the solidarity economy.

Whereas for Europe the challenge would be a greater involvement of the national level, despite all the restrictions that the EU institutions put on their Member States (in trade matters, for instance), for Latin America it could be a greater determination of local authorities in supporting fair and solidarity trade practices. Other challenges for Europe would be to clearly understand fair trade as part of the social and solidarity economy, and foster differentiated policies both in international commercial relations ad well as in local economies; for the Latin American continent could be to shape strong policies to foster sustainable and solidary consumption, as well as to work on concepts and practices of the solidarity economy and fair trade in all the regional integration processes of the continent.

Both continents share a common challenge: fair trade is not only South-North. Whereas Latin American public bodies should delink this concept from the export alone, the European ones should do the same for the import, even if it is done under fairer conditions. Policy makers in Europe see fair trade as a way to raise public awareness about the imbalances of our productive and trade system, and therefore about the need for more ethical consumption, as a desired response from organized citizenship. However, for the European case, the existing trade imbalances inside the continent are not yet become so obvious.

In addition, due to the growing awareness of ecological modes of production and consumption, sometimes a tension is perceived between local and ecological agriculture and the consumption of imported fair trade products. However, there is a way to reconcile both positions: by promoting the principles of fair trade in the North and the promotion of a social and solidarity economy in Europe, so that European consumers perceive the South-North fair trade approach as being a complementary approach to the consumption of local ecological and fair trade products (local or North-North fair trade). This complementarity would be more obvious if we would analyse what type of products arrive to Europe through the fair trade channels and which ones are sold on local markets.
The Euro-Latin American relations can, in various aspects, foster the development of new public policies in support of fair and solidarity trade. For example, local authorities that are part of the “Fair Trade Towns” campaign can introduce an international dimension to the activities in support of fair trade, for example establishing direct connections with small producers’ organisations and local authorities in Latin America. Similar links can be built with other campaign such as “Fair trade Universities” that already exist in Europe, and the current Latin American campaign. Through these relations, the role of academia in the fair trade movement would be even more evident.

On the other hand, public institutions in Latin America need to understand fair trade as an alternative model of production, commercialization and alternative and sustainable consumption, and not only as a way to market quality products. Nonetheless, domestic demand will only be created with a sufficient degree of awareness on the part of society. In order to reach this goal, government support can be very useful, but it must be accompanied by a deep awareness raising process, around the fair trade principles and values, among citizens and organized civil society. The experiences of both continents can be very useful in this sense. The agreement that France signed with Ecuador should be considered by other countries.

In short, the cases analysed show the need of continue exploring the links between fair trade and social and solidarity economy in Europe as well as in Latin America and Caribbean; the links between social movements, academia and public policies in support of fair trade and responsible consumption; and, in addition, the relevance of deepening in supra national, national and territorial policies that promote fair commercial relations between both continents (South-North fair trade), as well as at European and Latin American level (North-North and South-South fair trade) and in each of the countries of both continents (local and national fair trade).
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