



A CLIMATE OF CRISIS: FARMERS, OUR FOOD AND THE FIGHT FOR JUSTICE

Storm damage in San Luis Planes, Honduras, where Hurricanes Eta and Iota affected the coffee harvest, prevented coffee pickers from getting to farms, and disrupted the transport of coffee to mills

CONTENTS

Introduction	3
Farmers on the front line	6
How offshoring emissions undermines climate action	7
Case study: hurricanes in Honduras – ‘We’ve lost a lot’	8
Case study: bananas – a drastic decline	9
The case for fairer incomes	10
Case study: cocoa – a bitter deal	12
Why this matters for UK consumers	13
Case study: coffee – a brewing crisis	14
Fairtrade Foundation recommendations	15
Endnotes	17

INTRODUCTION

Today, the climate emergency remains the biggest threat to the livelihoods of millions of small-scale farmers and workers in low-income countries across the world.

Although the UK government and businesses have set out on a welcome path to net zero emissions in an attempt to decarbonise the nation in the next three decades, for many, it's not soon enough. As the Chair of Fairtrade Africa, Mary Kinyua, told world leaders at the global Climate Ambition Summit in December 2020:¹ 'We're not going fast enough... The weather is changing now... As a matter of justice and a matter of science, action on the climate crisis cannot be delayed any longer.'

Speaking in Kenya on behalf of the 1.7 million farmers and workers represented by Fairtrade,² Ms. Kinyua delivered a powerful message: 'We cannot expect – and it is not fair to expect – producers to absorb the costs of more sustainable methods of farming when they're not even able to earn a living income or living wage, because the price they receive for their produce is far too low. This needs to change, and it needs to change fast.'

As Ms. Kinyua went on to explain, the climate emergency strikes at the very heart of Fairtrade's mission to support and empower smallholder farmers and workers in low-income countries.

Fairtrade producers have told us that climate change is the biggest threat to their livelihoods. They and their communities are the ones on the front line of the climate crisis, despite having contributed the least to cause it. It is a grave injustice.

We have heard first-hand from Fairtrade producers how communities dependent on agriculture bear the brunt of the climate emergency, and how they lack the resources and tools to withstand its devastating consequences.

They face critical situations, caused by more frequent and intense droughts, floods and storms, erratic weather patterns, the loss of fertile land, the emergence of new pests and the spread of crop diseases. Climate breakdown threatens to strip away their security, their homes, their access to food, their health and wellbeing, and their ability to earn an income.

All this turns the clock back on their efforts to escape poverty, at a time when the Covid-19 pandemic continues to squeeze farmers' incomes.



Flood waters from Hurricanes Eta and Iota, which affected farming communities in Colonia Sitraterco, La Lima, Honduras

That is why, this Fairtrade Fortnight (22 February – 7 March), we are shining a spotlight on the extent to which the climate crisis is affecting the future of food and those who produce it. And why we are calling for climate justice for farmers and workers at the forefront of the crisis.

Although the global response to Covid-19 slowed the rate of greenhouse gas emissions for a time, it has by no means stopped global heating in its tracks.³ Emissions are still rising at an alarming rate: globally 2020 was the joint hottest year on record, while 2011-2020 was officially the warmest decade recorded.⁴

Not only does extreme weather damage and undermine farmers' livelihoods, it also affects us here in the UK, due to the likely impact on the availability and longevity of our favourite goods and products, on which millions of consumers in the UK depend. If the current level of global heating continues, vast areas of the land used to grow crops such as coffee, cocoa and bananas could be unsustainable within the next three decades.

EXPERTS PREDICT THAT BY 2050: 

- As much as 50 percent of the global surface area currently used for **coffee** farming may no longer be suitable, due to the changing climate.⁵
- Many **cocoa**-growing regions in Ghana and Côte d'Ivoire – who produce over half of the world's cocoa – will become too hot to grow the crop.⁶
- Adverse climate conditions will trigger a drastic decline in **banana** yields in 10 countries, including India, Brazil and Colombia.⁷

Given that nearly half of our food comes from overseas, with 10-15 percent from Asia, Africa and Latin America,⁸ it is in all of our interests to ensure that these food supply chains are as climate-friendly and sustainable as possible. Whether we are lovers of coffee, chocolate, bananas or all three, we all have a stake in ensuring that current and future generations of farmers who grow these foods can do so in environmentally friendly ways, while earning a decent income that enables them to stay in business and live the sort of life their hard work deserves.

THE SOLUTION

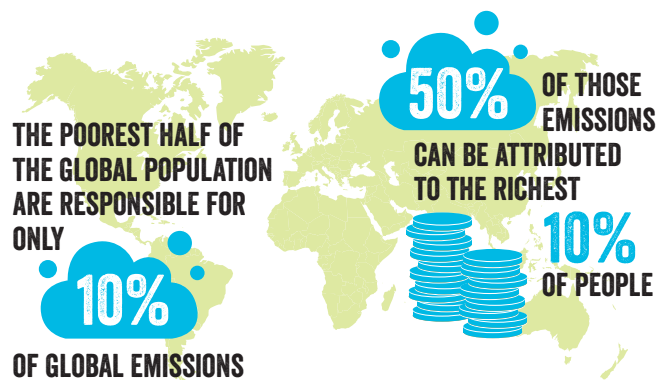
If we are to protect people and planet in the face of this new climate reality, then we have to change the way we farm our land and produce our food. However, it is unjust to expect the farmers and workers who produce our food to bear the burden of responsibility for addressing the climate crisis.

Millions of farmers and workers in low-income countries are already living in the shadow of poverty, struggling to care for their families, let alone their environment. If chronically

underpaid farmers and workers cannot even afford to pay for basics such as medicine, food, children's education and housing, what chance do they have of finding extra funds to adopt greener farming practices or protect themselves and their harvests from the worst droughts, floods and storms?

We must support producers in low-income countries to meet the costs associated with farming in ways that are resilient in the face of more extreme weather, and in ways that produce fewer emissions. Now more than ever, they need fair pay, fair prices and the power to make their own choices.

Richer nations bear a historic responsibility for carbon emissions: the poorest half of the global population are responsible for only around 10 percent of total global emissions, while 50 percent of these emissions can be attributed to the richest 10 percent of people.⁹



We therefore welcome the UK government's recent pledge to cut emissions by at least 68 percent by 2030, to ensure we are on the path to meet our country's commitment to net zero by 2050. These figures represent useful targets for addressing domestic emissions. However, we need a similar target for addressing the vast amount of carbon hidden in goods and food imported from overseas to meet the demand of UK consumers. Currently, approximately half of our true carbon footprint is generated domestically: the other half is generated by products made overseas for UK markets.¹⁰

If the UK's hidden carbon footprint were a country, it would rank higher than over 170 other nations in the global tally of biggest emitters. This hidden footprint is also several times larger than the total footprint of many poorer countries who grow our food.¹¹ These uncounted emissions take a heavy toll on farmers who keep our shelves stocked and fridges full. They are unfair and unjust.

The Fairtrade Foundation is calling on the UK to start accounting for all the emissions we are ultimately responsible for, not just those produced within our borders. We need to take the responsibility for this, rather than dumping the burden of responsibility on those who have done the least to cause the problem.

What's more, the UK and the private sector must act quickly to decarbonise our supply chains. It is important that they do this in a way that is just, fair and does not cut producers out from supply chains. Farmers and workers need fair pay, fair incomes and fairer trading practices, not to mention comprehensive, targeted financial support. It should not fall to them to deal with a crisis not of their making.

A FAIRER FOOTPRINT IS POSSIBLE. TO ACHIEVE IT WE MUST:



1. Stop dumping our emissions on farmers: take responsibility for our carbon footprint.

Government policy should encourage (and where needed compel) businesses to bring down supply chain emissions. In particular, the UK government and businesses must take stronger, faster action on the emissions hidden in products made or grown overseas to meet demand here at home.

2. Invest in a just transition to a low-carbon economy: fund new ways to farm and transport, protecting farmers and our future food.

Government and businesses must ensure that producers on the front line of the climate crisis who grow our food receive the finance they need to transition to a low-carbon economy and adapt to a changing climate. This includes UK businesses paying higher, fairer prices for the produce they import.

3. Drive the change through government policy: make sure trade policy helps, not hinders, the path to net zero and delivers a fairer future for farmers.

The UK government should deliver trade policy that supports the highest environmental standards, reduces trade's carbon footprint, encourages fair trading practices and drives prosperity in low-income countries.

The Fairtrade Foundation is ready to play our part. We will continue to work closely with government and the private sector to share our expertise, using our unique insights into supply chains. Drawing on our decades-long experience of working 'farm to fork' with farmers, workers, businesses, policymakers and consumers, we will keep striving to make trade fairer, greener, and more sustainable, so that everyone can flourish. With boots on the ground, we can help channel resources to producers on the front line of the climate crisis, and ensure these go to those who need it most.



Crispin Ebwojo from Kagera Cooperative Union, Tanzania, shows coffee farmer Justa Kato how to use mulching to protect young coffee plants. Mulching protects the soil from drying out too quickly

FARMERS ON THE FRONT LINE

Rural communities in poorer nations across the world are being forced to carry the burden of our present climate reality.

THERE IS A CHAIN ON EARTH THAT STARTS WHERE THE PRODUCERS ARE. THEY ARE THE ONES WHO SUFFER THE CONSEQUENCES OF CLIMATE CHANGE, THE ONES WHO GET THE LEAST HELP, AND CARRY ALL OF THE BURDEN. IT'S NOT FAIR.

Bayardo Betanco, PRODECOOP coffee co-operative, Nicaragua

A recent study¹² highlights that the main environmental challenges perceived by Fairtrade producer organisations are deforestation, water contamination, changes in rainfall patterns (timing, amount, frequency and severity), water scarcity and increasing temperatures. The producer organisations 'expect these identified environmental problems to lead to production losses and increases in production costs'.

Last year's unprecedented hurricane season in Central America – the most intense on record – is sadly testament to this. Hurricanes Eta and Iota, which hit in November 2020, caused widespread storm damage, floods and landslides, destroying crops, land and food supplies. Fairtrade farmers across the region reported significant losses as they saw their plants and farms ruined. In Nicaragua alone, an estimated 30 percent of crops grown by coffee producer organisations may have been affected by storm Eta.¹³ (See case study, page 8.)

The previous year, in 2019, Cyclone Idai caused massive flooding of Malawi's Shire Valley, hitting Fairtrade certified sugar organisation Kasinthula, as food crops and livestock were washed away.¹⁴ These experiences are mirrored by rural communities across the world who are exposed to the worst effects of climate change.

Extreme climate-related disasters like these make it harder for rural producers to feed themselves, cover household essentials and keep earning an income – particularly those who do not have the safety nets and protections that Fairtrade offers.

Over the past year, farmers have been fighting the climate emergency against the grim backdrop of the Covid-19 pandemic and its impacts. These include falling commodity prices, loss of access to markets and other widespread shocks reverberating along our global supply chains.



Rosendo Pineda, a member of the Fairtrade Montaña Verde Coffee co-operative, stands on damaged land in the aftermath of 2020's hurricanes in Honduras

At the same time, extreme poverty is actively making environmental damage worse, as it pushes producers to farm in an unsustainable way – for instance by using cheap, toxic chemicals and by cutting down trees to sell timber or to clear land for cultivation. However, as the Food and Agriculture Organization (FAO) has pointed out, small-scale family farmers often lack access to the resources they need to adapt to a changing climate.¹⁵

Communities who rely on their land and provide us with the everyday goods we want to keep consuming are suffering the effects of climate change more than anyone else globally. We must enable them to invest in sustainable farming, and ensure they have the technology and resources needed to adapt to the worsening crisis.

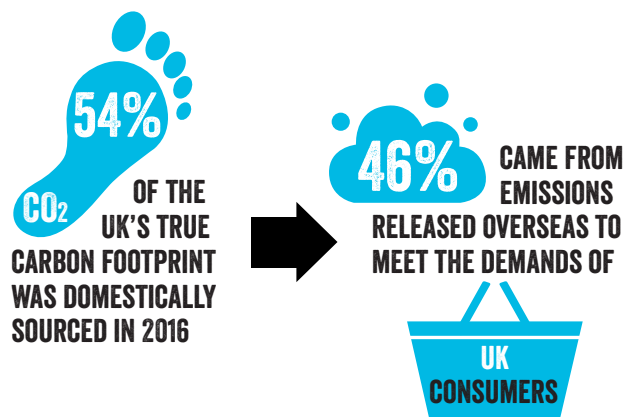
HOW OFFSHORING EMISSIONS UNDERMINES CLIMATE ACTION

Wherever in the world it is made, our food has a carbon footprint, with emissions generated throughout the supply chain – in the growing, feeding, farming, raising, processing and transporting of produce.

Nearly half of the food consumed in the UK comes from abroad; of this, up to 10-15 percent is sourced from Asia, Africa and South America, grown by smallholder farmers and farm workers.¹⁶ This means our country's carbon footprint within supply chains is significant, stamped onto numerous products, from cotton to chocolate.

However, the UK does not yet count the cost of carbon emissions associated with producing the food or clothing imported from overseas to meet British demand when it reports progress on emissions reduction to the UN. For instance, the Department for Environment, Food and Rural Affairs' (DEFRA) annual tally of UK greenhouse gas emissions only presents 'territorial' emissions occurring within UK borders.¹⁷ In global climate change agreements, any emissions linked to the supply chain of goods or services imported here in the UK count towards the emissions of the country that manufactured it.

A 2020 WWF report showed that only 54 percent of the UK's true carbon footprint was domestically sourced in 2016: the other 46 percent came from emissions released overseas to meet the demands of UK consumers.¹⁸



The report also highlighted that 10 percent of the UK's food and agriculture-based carbon footprint is created in Africa.

The UK's invisible carbon footprint is many times higher than the total footprint of many low-income countries that supply goods and food that Britons enjoy. In 2017, the latest year for which data is available, emissions associated with imports to the UK stood at 358 million tonnes,¹⁹ nearly 20 times higher than Kenya's total emissions and 40 times higher than Honduras' total emissions for that same year.²⁰ If the UK's hidden carbon footprint were a country, it would rank higher than over 170 other nations in the global tally of biggest emitters.²¹

In 2019, the UK gained the unenviable title of the biggest net importer of Co2 emissions per capita among the G7 group of wealthy nations.²² We are, effectively, outsourcing the responsibility for tackling UK-driven greenhouse gas emissions to other countries, including much poorer ones without the means to invest in green energy or support their farmers to adapt to the erratic weather patterns.

The Fairtrade Foundation is concerned that the UK's hidden 'consumption-based footprint' is excluded from our net zero target. Unless we account for and address these hidden emissions, UK climate policy will not fully succeed in driving down our true footprint. In fact, moving emissions outside of the UK could be seen as an incentive to 'reduce' domestic emissions.

If we offshore our emissions to other lower-income countries, especially if the climate adaptation funding for producer countries remains inadequate, we undermine any domestic (and international) progress made on cutting our carbon footprint, moving away from fossil fuels and keeping global temperature rises to 1.5°C. We also undermine any progress that rural farmers, producers and their communities are making to escape poverty and develop their livelihoods.

How can this be addressed in practice? The UK's Committee on Climate Change has recommended including international aviation and shipping in the UK's carbon budgets and setting policy to reduce these emissions.²³ This would be a powerful way for the UK to take ownership of its overseas footprint and encourage action across government – and would also show strong leadership to other nations.

With the proportion of food we import on the rise,²⁴ we urgently need a fresh and honest look at trade and consumption-related emissions. Bringing emissions down to net zero is critical. But we must also ask what this means for the people who grow our food. There must be a just transition for people who rely on farming products for a living, to allow them to adopt low-carbon methods of production and transport, and to access new markets closer to home. This will take finance.

CASE STUDY: HURRICANES IN HONDURAS – ‘WE’VE LOST A LOT.’



Following Hurricanes Eta and Iota, a coffee farm is split by one of thousands of landslides in San Luis Planes, Santa Bárbara, Honduras

In November 2020, Fairtrade farmers in Central America saw their crops badly damaged when Hurricanes Eta and Iota hit the region. The 2020 Atlantic hurricane season broke all records, with an unprecedented number of storms. Experts said rising sea temperatures linked to climate change contributed to the strength of the hurricanes.

Honduran coffee producers from the Fairtrade co-operative COCASJOL, based in Colinas, Santa Bárbara, were among those who saw their crops and land damaged by the hurricanes. The region, with steep mountain slopes that are ideal for coffee growing, is particularly prone to landslides.

Co-operative member Hector Hermilo Perdomo explained: ‘With the two hurricanes that hit Honduras, the water that fell with them has affected us very much. **We’ve had landslides, lots of land has been wiped out, taking with it our crops. Just in my bit of land, I’ve lost two manzanas (five acres): that means 7,000 coffee plants that I’ve lost, that I can’t recover.** Also the production of those 7,000 plants, that’s about 35 quintals of dry pergamino coffee that I’ve lost.

‘All this means I’m in difficulties financially: it’s a big loss. Also I’ve lost the Musaceae, the bananas we plant alongside the coffee as shade, and we have a substantial trade of bananas to Guatemala, mainly the small banana we call ‘mínimo’: we’ve lost that too. We’ve got big difficulties with access to and from our farms here, after the main roads and minor roads were affected by landslides, and that has made it hard to get any product out to market, or get machinery in to fix things on our farms. I’ve had 14 small landslides, and two big ones on my own property.’

Small-scale coffee farmer Dilma Chávez, from San Luis Planes, Santa Bárbara, belongs to the Montaña Verde Fairtrade co-operative. She said: ‘The coffee is suffering a lot from fungal infections, *ojo de gallo*, leaf rust, and it’s very hard to control with so much moisture, it will probably

spread and get worse. This year we’ll have a big drop in production, everyone in the co-op will suffer: it’s big. And that affects us all economically... We grow most of our own food here, and all those crops have also been affected, the corn, the beans: with so much rain we’ve lost a lot of that too.’

In recent years, as part of their climate action, COCASJOL has been working on reforestation projects, planting tens of thousands of trees with the support of the Fairtrade Premium, and educating co-operative members on the importance of shade trees.

COCASJOL’s general administrator, Alcides Fernández, said: **‘Climate change is affecting us a lot: currently it is affecting our production. The coffee grain weight is lower than it should be, because of droughts – there are harvests that come early, others that come late. It’s a big mess.**

‘What we’ve seen here, and elsewhere, is that the areas of farmland that are protected... with well-established trees... are less prone to landslides than the areas that are bald, that have no trees: trees protect against the landslides. We planted 50,000 trees four years ago, and that has helped us a lot.

‘We set up the nurseries and gave small trees to all the producers in the co-op. We use the trees for shading the coffee and protecting the soil. The nurseries had nearly no loss... We did that work with our own money, including some of the money from the Fairtrade Premium.’

As producers continue to face the ruinous effects of severe weather events, CLAC, the Latin American and Caribbean Network of Fairtrade Small Producers, has created the Fund for Climate Eventualities and Catastrophic Events. This aims to support Fairtrade organisations to implement preventive measures to avoid further damage from climate change and to provide timely relief after major climate emergencies.

CASE STUDY: BANANAS – A DRASTIC DECLINE



A member of the Las Mercedes Fairtrade banana co-operative in the Dominican Republic

Millions of small-scale farmers and plantation workers in tropical regions depend on the banana trade for a vital source of income. Their work has traditionally been done in the context of low wages, rising production costs and stagnant prices. Now, to make matters worse, the impacts of climate change – including stronger and more frequent floods and storms – are making production unpredictable and unsustainable.

One study from the University of Exeter has warned that adverse climate conditions will trigger a drastic decline in the yield of bananas in 10 countries by 2050, including India, Brazil and Colombia, if climate change continues at the current pace.²⁵ And in the Caribbean, the higher likelihood of storm damage, caused by more intense hurricanes, is a key threat to banana production.²⁶

For banana farmers who rely on their crops for their income, it can be devastating to see their farms flattened by storms. With prices for bananas so low, it is hard to build up savings for emergencies. For many, the only way to recover from storms and replant their farms is to take out loans. Some end up with large debts.

To tackle this, the banana farmers of the Las Mercedes Fairtrade co-operative in the Dominican Republic have used their Fairtrade Premium to develop a disaster recovery fund, to help out members should the worst happen. (The Fairtrade Premium lets farmers decide how to invest to benefit their businesses and communities.)

The Las Mercedes disaster recovery fund is ready to go at short notice. After extreme weather events, the funds are made available to the farmers who need it, whether it's for planting afresh, repairing equipment or other essentials.

This support can be the difference between giving up entirely and keeping a viable business going. The fund also offers workers on the banana farms stability and continuity, because with functioning farms, farmers can continue to employ workers.

With Fairtrade's support, farmers also receive formal training on sustainable farming methods, and other ways to protect their livelihoods from the effects of a changing climate. Co-operative member Juan Liriano says: ***'I feel satisfied with these programmes, because if they didn't exist, maybe our farms wouldn't be sustainable.'***

When consumers and businesses choose Fairtrade, they choose to support farmers to come together to keep picking up the pieces after the storm.

As the climate crisis continues, banana farmers desperately need additional funds to invest in modern technologies to combat climate risks like storms. And although banana workers in many countries are paid the national legal minimum wage, in most cases, this is still below a living wage.

In December 2020, Fairtrade announced a new base wage for all Fairtrade certified banana plantations.²⁷ The new Fairtrade Base Wage applies to all countries and is unique amongst certification schemes in making a concrete step towards a living wage. It means higher wages for thousands of banana workers on Fairtrade certified plantations, and a safety net for the future.

THE CASE FOR FAIRER INCOMES

Since the mid-18th century, the UK's cumulative carbon emissions have been around 200 times higher than Kenya's or Ghana's; and in 2017, the UK's per capita emissions were still just over 20 times higher than these two countries.²⁸

Meanwhile, 17 people from Côte d'Ivoire have the same carbon footprint as one person in the UK.²⁹ And so, although all countries share responsibility for tackling the climate crisis, the high polluting countries like the UK should bear more of the costs of helping communities to adapt to the crisis, and to reduce or prevent carbon emissions. This is an agreed global concept, known as the principle of 'common but differentiated responsibility'.

Put simply, smallholder farmers and workers (including Fairtrade producers) should not be expected to absorb the costs needed for adapting to changing weather patterns and for adopting greener, more sustainable methods of farming and production.

Low incomes and poverty – caused in part by decades of chronic underpayment – prevents smallholder farmers from developing their farms: this fuels a vicious cycle of low productivity and declining incomes. The less they earn, the harder it is to secure good harvests. All this leaves them unable to face up to the challenges of climate change.

Around the world today, millions of farmers and workers still struggle to earn a living income or a living wage, often because the price they receive for their produce is far too low. For instance, despite the chocolate industry being worth £4 billion in the UK alone, cocoa farmers struggle on as little as 74p per day,³⁰ well below the world's extreme poverty line and less than half of what is required to achieve a living income.

Elsewhere, the United Nations Conference on Trade and Development (UNCTAD) notes that coffee farmers earn only 0.4 percent of the price consumers pay for a latte or cappuccino, while cocoa farmers receive less than six percent of the value of a chocolate bar, despite these products generating huge profits in global markets.³¹ The problems go far beyond coffee and cocoa. There are serious shortfalls to incomes for workers growing much of the UK's other food imports.

If underpaid farmers struggle to cover the costs of essentials such as healthcare and daily meals, they have little chance of finding the extra funds for climate action. Farmers need fair prices, fair share of value and fairer trading practices if they are to ensure their incomes and production rates withstand the worst impacts of the climate crisis.



The Fairtrade Foundation has seen how stronger communities that have built up community and household assets are better placed to face climate emergencies, such as the temporary loss of income due to storm damage or drought. They are in a better position to build back fairer, protect their produce, find alternative means of income, boost their food security and escape poverty.

We can learn many lessons from the recent pandemic, which has shown that failure to pay fair prices just leaves us more vulnerable to crises that can hit our food system – whether Covid-19 or climate change.

When the pandemic began, initial reports suggested that supply chains in which Fairtrade was operating often showed impressive resilience through the first months of the crisis. For instance, we saw commendable steps from Fairtrade co-operatives to support farmers and workers, who drew on reserves, and household and community assets built up through Fairtrade Premium to protect health, jobs, and businesses.

We also saw retailers and brands with a track record in human rights, environmental sustainability and poverty reduction responding quickly and meaningfully. For example, by providing emergency funding to help suppliers in low-income countries with public health advice, hygiene and sanitation, as well as by committing to speed up payments to vulnerable suppliers.

If evidence proves that businesses who commit to fairer trading practices see their supply chains stand up better in the face of the pandemic, then it has huge implications for business planning and government policy on climate change and trade.

NO CLIMATE JUSTICE WITHOUT TRADE JUSTICE



When businesses and consumers choose Fairtrade, farmers and workers on the front line of the climate crisis have a fighting chance of caring for themselves, their families and our shared planet. We believe there can be no climate justice without trade justice.

Crucially, Fairtrade sales and support from shoppers means higher incomes for farmers and workers across the world, offering them vital protection from price crashes, market volatility and climate extremes.

Through Fairtrade, farmers and producers have the security of the Fairtrade Minimum Price, which provides a safety net when market prices fall. They are also protected by the Fairtrade Premium, an additional sum of money that farmers and workers can invest in projects of their choice, including climate friendly activities such as tree planting.

These additional benefits go above and beyond any other certification system, and are what sets Fairtrade apart. They mean Fairtrade farmers and workers are in

a materially stronger position than they would otherwise be, leaving them better equipped to face the climate emergency. For instance, in 2018, more than £166m in Fairtrade Premium was generated through sales, going back to communities.³²

Environmental protection is ingrained in our Fairtrade Standards. To sell Fairtrade products, farmers have to improve soil and water quality, manage pests, avoid using harmful chemicals, manage waste, reduce their greenhouse gas emissions and protect biodiversity. At the same time, Fairtrade makes training available to producers so that they can use the latest agricultural methods, such as intercropping and shade-grown coffee to adapt to changing conditions.

All this has a significant impact on the standard of living of farmers and their communities, and on their ability to develop sustainably in the face of the climate crisis. That's why we call on everyone who can, to choose Fairtrade and choose the world you want: a world where climate justice is a reality for everyone.



Leo Kumburu leads a training session with Tanzanian Fairtrade farmers on coffee plant diseases and how to fight them

CASE STUDY: COCOA – A BITTER DEAL



Two members of a women's society created by Fairtrade cocoa co-operative Cayat, Côte d'Ivoire. The society trains women farmers to play a greater role in the co-operative

CLIMATE CHANGE IS A GLOBAL ISSUE. WE, THE FARMERS, HAVE TO DEAL WITH ITS CONSEQUENCES EVERY DAY. CURRENTLY, COCOA FARMING IS EXTREMELY DIFFICULT FOR VARIOUS REASONS: THE FOREST HAS DISAPPEARED... THE DISEASES ARE MORE AND MORE FREQUENT. BECAUSE OF CLIMATE CHANGE AND THE EXCESSIVE HEAT, THE MORTALITY RATE OF TREES IS QUITE HIGH. YOU HAVE TO BE VERY BRAVE TO KEEP FARMING. BUT COURAGE IS NOT ENOUGH, YOU ALSO NEED ECONOMIC RESOURCES.

Ebrottié Tanoh Florentin, a cocoa farmer and General Secretary of the Fairtrade CEAA co-operative in Côte d'Ivoire

Experts have warned that the cacao plant used to make chocolate is under threat of being wiped out by warmer temperatures and drier weather conditions brought on by climate change. Cocoa is sensitive to environmental changes, but growing cacao beans is becoming increasingly difficult and uncertain due to rising temperatures, volatile rain patterns and the increased susceptibility of trees to drought.³⁴

Studies suggest that many current cocoa-growing regions in Ghana and Côte d'Ivoire – which together produce over half of the world's cocoa – will become too hot to grow the crop by 2050. According to the US National Oceanic and Atmospheric Administration, **a rise of just 2.1°C could leave 89.5 percent of land used to cultivate cacao unsuitable by 2050.**³⁵

The volatile weather and seasons is already affecting cocoa harvests in west Africa, contributing to food insecurity and lowering yields. As a result, higher altitude land, currently valuable forested and biodiverse areas, will likely be cleared to become cocoa farms.

A Fairtrade Foundation report, *Craving a Change in Chocolate*, showed that low incomes and poor productivity in cocoa are fuelling forest deforestation.³⁶ Despite the chocolate industry being worth £4bn in the UK alone, cocoa farmers working in tough conditions are struggling on as little as 74p per day,³⁷ well below the world's extreme poverty line and less than half of what is required to achieve a living income.

However, experience has shown that when farmers have the means and resources to protect their land, they stop degrading it further. After becoming Fairtrade certified, Sierra Leonean cocoa farmer Sidie Sesay from the TUNKOCFA local farmer association, part of the Ngoleagorbu Fairtrade co-operative, said: **'The rainforest protects us by cleaning the air we breathe. And providing fresh water for our farms and communities. And so we protect the forest. We don't farm there, we don't log the trees, and we do not go there to fish or hunt.'**

The closing months of 2020 brought standout commitments from companies determined to lead the way in ensuring a living income for cocoa farmers despite the economic challenges of the pandemic. These corporate pledges were a welcome reminder that the goals of building back fairer and building shareholder return do not have to be mutually exclusive.

WHY THIS MATTERS FOR UK CONSUMERS

Concerns are sometimes raised that the costs of reducing carbon emissions linked to our food will be passed on to consumers. However, failing to act will hit consumer price and choice in the longer term.

The changing climate is making our food production harder and our food security more vulnerable. If climate change damages farmers' ability to grow cocoa, coffee, bananas and other foods at the scale needed, then in some worst-case scenarios, certain varieties of these foods could become luxury items, available only for those who can afford them – or could even disappear off the shelves completely.

Supporting farmers and workers in the face of the climate crisis is not just about meeting our responsibilities to support those in need: it is also about mounting an effective response to challenges facing the UK's own food security and resilience. It is as much about defending the consumer as it is about

defending the farmer. Put simply, we must invest in our supply chains and in farmers, or we will all be more vulnerable. Government policy in the consumer interest needs to encourage the long-term resilience and sustainability of our food supply chains – and that includes all areas of policy with an impact on our food system: for example, trade policy, and competition and market regulation.

This is not just a government responsibility of course: it demands action from food businesses and retailers as well. However, government needs to set a strong enabling framework that gives food businesses an incentive to invest at farm level, and which makes it easier for responsible businesses to tackle poverty, environmental and sustainability issues on the ground. The government must also make sure that businesses who do take action are not left exposed against competitors with weaker commitments to sustainability.

Supporting farmers and workers in poorer countries is vitally important if we want to build back fairer, as we seek to address climate change and recover from the economic harm done by Covid-19. Our food supply chain is only as strong as its weakest link, so it is in all of our interests to strengthen it.



CASE STUDY: COFFEE – A BREWING CRISIS



Farmer Elizabeth Chepkwony, from the Kabngetuny Co-operative in Kenya, harvests coffee

Most of the world's 25 million coffee farmers are smallholders – including many Fairtrade farmers. However, it is getting harder and harder for them to farm coffee, as it needs very specific climate conditions to grow. Not surprisingly, climate change is having a worrying effect on the coffee industry and supply chain, particularly since many countries where coffee exports play a key role in the economy are among the most vulnerable to climate change.³⁸

Zeddy Rotich, a Fairtrade coffee farmer in Kenya, says: 'Climate change is affecting us because the weather patterns have changed. We fear low coffee production in the future because of it. But through Fairtrade we have received training on climate change and we are taking action. However, we still need more, because we need to train other people who are not aware about climate change.'³⁹

In recent years, production – particularly Arabica bean production (used for flat whites and cappuccinos) – has been affected by hostile weather conditions, including higher temperatures and altered rainfall patterns, caused by climate change.

A report produced by the Climate Institute and Fairtrade Australia New Zealand estimates that without strong action to reduce emissions, **as much as 50 percent of the global surface area currently being used for coffee farming may no longer be suitable by 2050, due to climate change;** the report also showed that certain varieties of coffee could become extinct by 2080,⁴⁰ making coffee crops more homogeneous – and therefore less rich in terms of flavour and aroma – and more vulnerable to disease.

Coffee-growing communities in countries as diverse as Peru, Honduras, Uganda and Vietnam are already experiencing land loss, as areas used to produce coffee become increasingly unviable. For instance, some forecasts indicate that 25 percent of current coffee farms in Brazil and 37 percent in Indonesia is likely to be lost to climate change if no action is taken.⁴¹

Climate change has also increased the prevalence of pests and diseases, such as the fungus known as coffee rust (*La Roya*), which thrives in higher temperatures. Coffee farms in Latin America are seeing worsening cases of the disease. From 2012 to 2017, it caused more than \$3bn in damage and lost profits, and forced almost two million farmers off their land.⁴²

What's more, the increased demands of coffee production and low prices are forcing vulnerable producers to use less environmentally friendly practices in order to keep up. And as temperatures rise, production could move to higher land, which could increase levels of deforestation, and pose a risk to biodiversity and indigenous communities.⁴³

All this affects crop yields, drives up production costs and compromises the quality of harvests and economic security, significantly reducing income earned by coffee farmers.⁴⁴ As the Climate Institute study notes, climate change is eventually likely to push many producers out of coffee altogether, further deepening poverty. And here in the UK, consumers could face supply shortages, changes in flavour, and rising prices, with implications for the sustainability of the global coffee sector.

The UK coffee industry adds an estimated £9.1bn to the economy every year.⁴⁵ Despite coffee's lucrative value, the average non-Fairtrade coffee farmer earns as little as £1.37 a day. Alone, they have little capacity to adapt to a hotter world in which climate and market volatility conspire against them.

Through projects such as tree planting, irrigation, crop diversification and clean energy, Fairtrade coffee farmers have been fighting back against climate change. For instance, with the help of the Dutch Postcode Lottery, Fairtrade's Climate Academy (2017-2020) brought East African coffee farmers together to learn and share ways of adapting, find new opportunities to earn money and make their farms more able to withstand extreme weather events.

Across Kenya and Ethiopia 20,000 households have already felt the benefits of the Climate Academy. These include Kipkelion coffee farmer Judy Ruto, in Kenya, who said: **'Around us we see fields where the young maize has already dried out. Even if it starts raining soon, the harvest is ruined.** Maize is our staple food crop and for many families a failed maize harvest means real hunger.

'Luckily with the help of the co-operative and the Climate Academy we are better prepared for these types of conditions. We have also bought chickens and our next investment will be a cow. We need it for milk and manure for the biogas installation and for natural fertiliser.'

Through Fairtrade, where farmers can come together to swap skills and tools, there are ways to keep going through the difficult times that a climate emergency brings.

FAIRTRADE FOUNDATION RECOMMENDATIONS

This year, we must seize the opportunity to build back fairer, to pursue a future that is green and sustainable, and enables everyone to flourish.

1. Stop dumping our emissions on farmers: take responsibility for our carbon footprint.

The UK government and UK businesses must take stronger, faster action to reduce the emissions embedded in our imports, including those associated with agricultural supply chains, by:

- Promoting low carbon investment along supply chains and tackling their carbon footprint.
- Ensuring government policy encourages (and where needed, compels) businesses to act to bring down supply chain emissions.
- Supporting farmers and workers to decarbonise their production systems: among other things, this means financing the costs involved in pursuing more sustainable ways of farming through fair pricing and investment.
- Showing climate leadership by including international aviation and shipping in its carbon budgets and setting policy to reduce these emissions, as recommended by the Committee on Climate Change.⁴⁶
- Supporting innovation and investment in zero-carbon freight solutions.

2. Invest in a just transition to a low-carbon economy: fund new ways to farm and transport, protecting farmers and our future food.

The government and businesses must make sure that those most vulnerable to the impacts of the climate crisis receive the funds they need to transition to a low-carbon economy:

- As it hosts COP26, the UK government should use this unique opportunity to drive forward progress towards the climate finance commitment of over \$100bn a year, as

agreed under the rules of the United Nations Framework Convention on Climate Change. The government should also return to spending 0.7 percent of Gross National Income (GNI) on overseas aid for 2022.

- UK aid programmes on climate change should include supporting farmers and workers in low-income countries to adapt to the impact of climate change, such as extreme weather events, as it should help them shift to more sustainable means of production.
- Within their own supply chains, businesses should help farmers and workers have the means to foot the bill for adapting to the changing climate and moving to low-carbon production methods, by paying higher prices for the produce they buy.
- International climate finance should also be used to help ensure a just transition and protect economies and livelihoods in low-income countries, when there are moves to reduce the consumption of goods with large carbon footprints.

3. Drive the change through government policy: make sure trade policy helps, not hinders, the path to net zero and delivers a fairer future for farmers.

Trade policy must support the highest environmental standards, reduce trade's carbon footprint and drive prosperity in low-income countries.

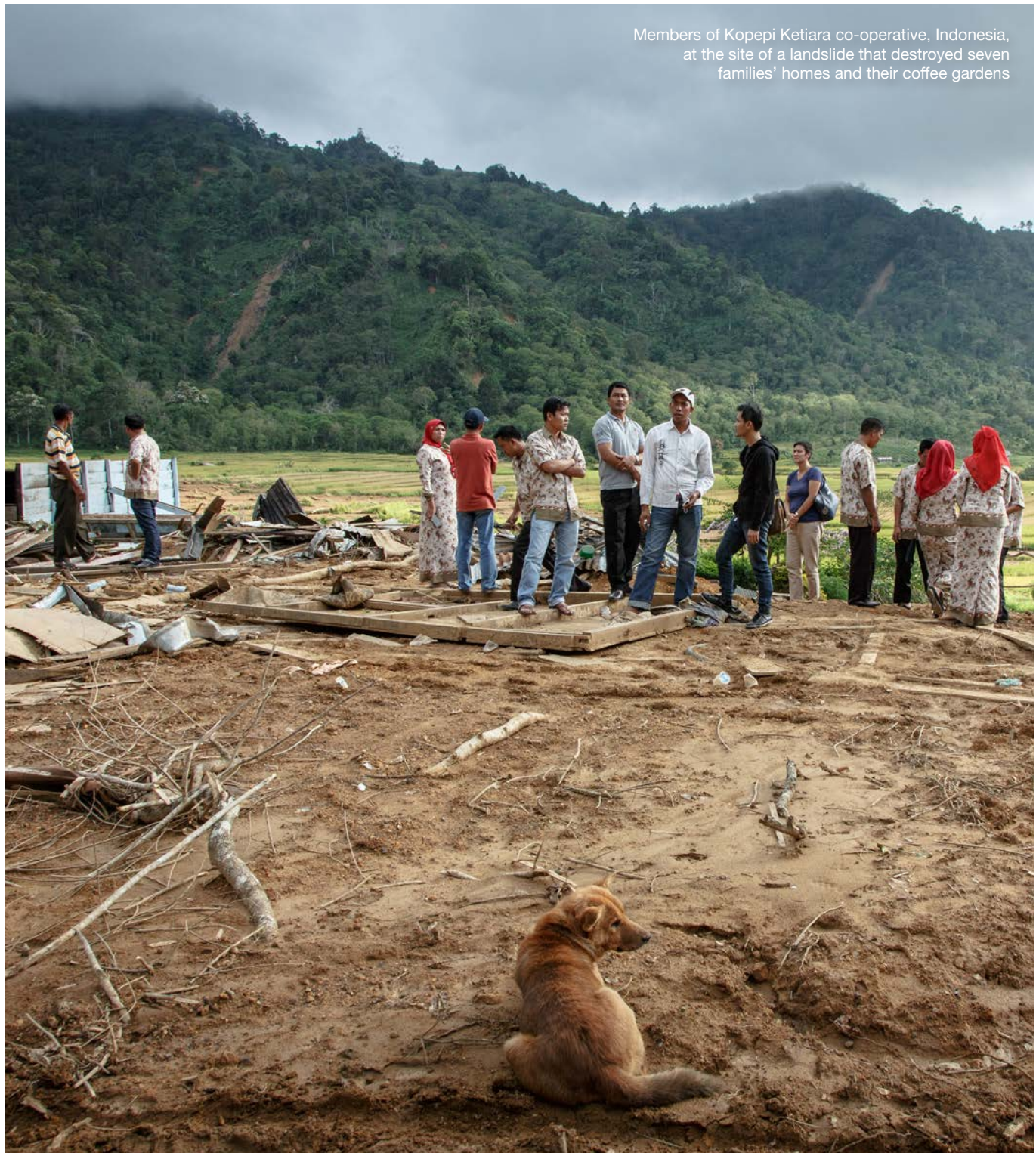
Our trade policy is changing now that the UK has left the EU. We are at a turning point, and could see big changes in where our food comes from. Will food have to travel further? Will new deals drive or discourage investment in high carbon production? And will the environmental standards required by trade agreements be strong enough?

- We need to 'look before we leap', and make sure that future trade deals are going to be good for the environment. Future trade deals agreed by the UK must be accompanied by detailed environmental and sustainability impact assessments: they should be independently commissioned and published before a negotiating mandate is established. Any environmental commitments in trade deals must be binding, with a mechanism for enforcement and regular review by a wide range of stakeholders. The government should avoid deals which will drive high levels of emissions from the trade flows involved.

- The government should support trade agreements that encourage low-income countries to trade regionally with one another, in a way that supports a reduction in transport-based emissions and promotes developmental outcomes. Not only can regional integration increase prosperity by reducing barriers and costs of trade, but it can also support the UK's ambition by cutting global transport emissions.
- We need to be clear about the values our trade will promote. The UK government should commit to trade policy, anchored in primary legislation, that safeguards environmental and human rights, encourages fair trading practices, is transparent, and gives Parliament and civil

society a voice in negotiations. Such policies must work in support of decent livelihoods for producers at the bottom of global supply chains.

The UK Presidency of COP26 this year is a vital opportunity for the UK government to accelerate action on the climate crisis, and renew its commitment to building the fair and sustainable supply chains that we need to face an uncertain climate future. As we look to post-Covid recovery, we must commit to build back fairer, with a new approach to supply chains that is better able to face future emergencies and one that protects both people and the environment – for all our sakes.



Members of Kopepi Ketiara co-operative, Indonesia, at the site of a landslide that destroyed seven families' homes and their coffee gardens

ENDNOTES

- ¹ Fairtrade Foundation (12 December 2020), Fairtrade to world leaders: climate change is here and affecting farmers now, www.fairtrade.org.uk/media-centre/news/fairtrade-to-world-leaders-climate-change-is-here-and-affecting-farmers-now/
- ² Fairtrade International (2020), Monitoring the scope and benefits of Fairtrade, <https://files.fairtrade.net/publications/monitoring-report-overview-FINAL-3.pdf>
- ³ United Nations (2020), United in Science 2020 Report, https://public.wmo.int/en/resources/united_in_science
- ⁴ European Union's Copernicus Climate Change Service (8 January, 2021), Copernicus: 2020 warmest year on record for Europe; globally, 2020 ties with 2016 for warmest year recorded, <https://climate.copernicus.eu/2020-warmest-year-record-europe-globally-2020-ties-2016-warmest-year-recorded>
- ⁵ The Climate Institute (2016), A Brewing Storm: The climate change risks to coffee, https://files.fairtrade.net/publications/2016_TCI_ABrewingStorm.pdf
- ⁶ National Oceanic and Atmospheric Administration (2016), Climate and Chocolate, www.climate.gov/news-features/climate-and/climate-chocolate. See also: P Laderach et al. (2013), Predicting the future climatic suitability for cocoa farming of the world's leading producer countries, Ghana and Côte d'Ivoire, www.researchgate.net/publication/257548214_Predicting_the_future_climatic_suitability_for_cocoa_farming_of_the_worlds_leading_producer_countries_Ghana_and_Cote_d'Ivoire
- ⁷ V Varma and DP Bebbler (2019), Climate change impacts on banana yields around the world, <https://doi.org/10.1038/s41558-019-0559-9>
- ⁸ DEFRA (2020), Origins of Food Consumed in the UK 2019, <https://www.gov.uk/government/publications/food-statistics-pocketbook/food-statistics-in-your-pocket-global-and-uk-supply>
- ⁹ Oxfam (2020), Confronting carbon inequality, <https://www.oxfam.org/en/research/extreme-carbon-inequality>
- ¹⁰ WWF (2020), Carbon footprint: exploring the UK's contribution to climate change, www.wwf.org.uk/updates/uks-carbon-footprint
- ¹¹ Our World In Data, (accessed 13 Jan 2021): see table for annual Co2 emissions by country, <https://ourworldindata.org/co2/country/kenya?country=~KEN>
- ¹² Fairtrade International (2020), Fairtrade Environmental Study, https://files.fairtrade.net/publications/Fairtrade-Environmental-Study_2020.pdf
- ¹³ Fairtrade Foundation (23 November 2020), Fairtrade coffee and cocoa farmers in Central America report crop losses due to unprecedented hurricane season, www.fairtrade.org.uk/media-centre/news/fairtrade-coffee-and-cocoa-farmers-in-central-america-report-crop-losses-due-to-unprecedented-hurricane-season/
- ¹⁴ Fairtrade Foundation (31 March 2019), Devastating floods hit Fairtrade sugar farmers in Malawi, www.fairtrade.org.uk/Media-Centre/Blog/2019/April/Devastating-Floods-Hit-Fairtrade-Sugar-Farmers-in-Malawi
- ¹⁵ Food and Agricultural Organization of the UN (2018), The State of Agricultural Commodity Markets 2018, www.fao.org/publications/soco/2018/en/
- ¹⁶ DEFRA (2020), Origins of Food Consumed in the UK 2019, www.gov.uk/government/publications/food-statistics-pocketbook/food-statistics-in-your-pocket-global-and-uk-supply
- ¹⁷ DEFRA (2020), UK Greenhouse Gas Emissions 2019, Provisional Figures, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875485/2019_UK_greenhouse_gas_emissions_provisional_figures_statistical_release.pdf
- ¹⁸ WWF (2020), Carbon footprint: exploring the UK's contribution to climate change, www.wwf.org.uk/updates/uks-carbon-footprint
- ¹⁹ DEFRA (2020), UK's Carbon Footprint 1997-2017, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/918325/Consumption_emissions_March_20_fullycompatible.pdf
See also: the Guardian (2020), Half UK's true carbon footprint created abroad, research finds, www.theguardian.com/environment/2020/apr/16/britain-climate-efforts-undermined-failure-imports-carbon
- ²⁰ In 2017, Kenya generated 18.06MT of Co2 emissions and Honduras generated 9.58MT. See: Our World In Data (accessed 13 January 2021), Table for annual Co2 emissions by country, <https://ourworldindata.org/co2/country/kenya?country=~KEN>
- ²¹ In 2017, Kenya generated 18.06MT of Co2 emissions and Honduras generated 9.58MT. See: Our World In Data (accessed 13 January 2021), Table for annual Co2 emissions by country, <https://ourworldindata.org/co2/country/kenya?country=~KEN>
- ²² The Guardian (October 2019), Britain is G7's biggest net importer of Co2 emissions says ONS, www.theguardian.com/uk-news/2019/oct/21/britain-is-g7s-biggest-net-importer-of-co2-emissions-per-capita-says-ons
- ²³ Climate Change Committee (2019), Letter: International aviation and shipping and net zero, www.theccc.org.uk/publication/letter-international-aviation-and-shipping
- ²⁴ DEFRA (2018), Agriculture in the United Kingdom 2017, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/741062/AUK-2017-18sep18.pdf
- ²⁵ Varma and DP Bebbler (2019), Climate change impacts on banana yields around the world, <https://doi.org/10.1038/s41558-019-0559-9>
- ²⁶ Natural Resources Institute (2010), Climate change, agricultural adaptation and Fairtrade, [https://gala.gre.ac.uk/id/eprint/6754/1/NRI_FTF_Climate_Agri_WEB_D4679-10_\(2\).pdf](https://gala.gre.ac.uk/id/eprint/6754/1/NRI_FTF_Climate_Agri_WEB_D4679-10_(2).pdf)
- ²⁷ Fairtrade Foundation (15 December 2020), Fairtrade takes big step towards living wages for banana workers worldwide, www.fairtrade.org.uk/media-centre/news/fairtrade-takes-big-step-towards-living-wages-for-banana-workers-worldwide/
- ²⁸ Our World In Data (2019), Who has contributed the most to global CO2 emissions?, <https://ourworldindata.org/contributed-most-global-co2> and <https://ourworldindata.org/co2/country/afghanistan?country=GBR-GHA-KEN>
- ²⁹ Our World In Data (2019), Where in the world do people emit the most CO2?, <https://ourworldindata.org/per-capita-co2>
- ³⁰ Fairtrade Foundation (2019), Craving a Change in Chocolate: How to secure a living income for cocoa farmers, www.fairtrade.org.uk/wp-content/uploads/legacy/doc/Craving%20a%20Change%20in%20Chocolate%20-%20February%202019.pdf
- ³¹ UNCTAD (2020), Fair trade enterprises spread benefits through value chains, <https://unctad.org/news/fair-trade-enterprises-spread-benefits-through-value-chains>
- ³² Fairtrade Foundation, What Fairtrade does: Fairtrade Premium, www.fairtrade.org.uk/what-is-fairtrade/what-fairtrade-does/fairtrade-premium/
- ³³ Fairtrade Foundation (2019), Climate crisis: Fairtrade farmers speak out, www.fairtrade.org.uk/media-centre/blog/climate-crisis-fairtrade-farmers-speak-out/
- ³⁴ Natural Resources Institute (2010), Climate change, agricultural adaptation and Fairtrade, [https://gala.gre.ac.uk/id/eprint/6754/1/NRI_FTF_Climate_Agri_WEB_D4679-10_\(2\).pdf](https://gala.gre.ac.uk/id/eprint/6754/1/NRI_FTF_Climate_Agri_WEB_D4679-10_(2).pdf)
- ³⁵ National Oceanic and Atmospheric Administration (2016), Climate and Chocolate, www.climate.gov/news-features/climate-and/climate-chocolate
- ³⁶ Fairtrade Foundation (2019), Craving a Change in Chocolate: How to secure a living income for cocoa farmers, www.fairtrade.org.uk/wp-content/uploads/legacy/doc/Craving%20a%20Change%20in%20Chocolate%20-%20February%202019.pdf
- ³⁷ Fairtrade Foundation (2019), Craving a Change in Chocolate: How to secure a living income for cocoa farmers, www.fairtrade.org.uk/wp-content/uploads/legacy/doc/Craving%20a%20Change%20in%20Chocolate%20-%20February%202019.pdf
- ³⁸ The Climate Institute (2016), A Brewing Storm: The climate change risks to coffee, https://files.fairtrade.net/publications/2016_TCI_ABrewingStorm.pdf
- ³⁹ Fairtrade Foundation (2019), Climate crisis: Fairtrade farmers speak out, www.fairtrade.org.uk/media-centre/blog/climate-crisis-fairtrade-farmers-speak-out/
- ⁴⁰ The Climate Institute (2016), A Brewing Storm: The climate change risks to coffee, https://files.fairtrade.net/publications/2016_TCI_ABrewingStorm.pdf
- ⁴¹ O Ovalle-Rivera et al (2015), Projected shifts in coffee arabica suitability among major global producing regions due to climate change, <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0124155>
- ⁴² The Atlantic (2020), Coffee rust is going to ruin your morning, www.theatlantic.com/science/archive/2020/09/coffee-rust/616358/
- ⁴³ Natural Resources Institute (2010), Climate change, agricultural adaptation and Fairtrade, [https://gala.gre.ac.uk/id/eprint/6754/1/NRI_FTF_Climate_Agri_WEB_D4679-10_\(2\).pdf](https://gala.gre.ac.uk/id/eprint/6754/1/NRI_FTF_Climate_Agri_WEB_D4679-10_(2).pdf)
- ⁴⁴ Basic (2019), Coffee: The hidden crisis behind the success story, https://lebasic.com/wp-content/uploads/2019/01/BASIC_Coffee-study_Synthesis-report-2.pdf
- ⁴⁵ British Coffee Association, Coffee Facts, <https://www.britishcoffeeassociation.org/coffee-in-the-uk/coffee-facts>
- ⁴⁶ Climate Change Committee (2019), Letter: International aviation and shipping and net zero, www.theccc.org.uk/publication/letter-international-aviation-and-shipping

This report was written by Tomilola Ajayi, with policy expertise from Tim Aldred and David Taylor.

For more information please contact:

David Taylor
Policy Manager, Fairtrade Foundation
david.taylor@fairtrade.org.uk

fairtrade.org.uk

Fairtrade Foundation,
5.7 The Loom, 14 Gower's Walk,
London E1 8PY

Tel +44 (0) 20 7405 5942 Email: mail@fairtrade.org.uk

Registered charity no. 1043886

A company limited by guarantee, registered in England and Wales

Photography: Sean Hawkey, Didier Gentilhomme,
José García, Dominique Fofanah, Peter Caton,
Andy Wilson, David Macharia, Nathalie Bertrams

Front cover image: Fairtrade farmer Hector Hermilo Perdomo,
who saw five acres of his land and 7,000 coffee plants destroyed
by Hurricanes Eta and Iota, which hit Honduras in November 2020.



This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of the Fairtrade Foundation and do not necessarily reflect the views of the European Union.

