

BUILD BACK FAIRER STATEMENT

25 SEPTEMBER 2020



Build Back Fairer: Civil society alliance calls for the transformation of the economy and trade system for a just and sustainable recovery.

Introduction

The Covid-19 pandemic and its social distance and lock-down measures are having a heavy toll on the most vulnerable in our societies, including small producers and workers. It has had devastating human rights impacts, among others- putting at risk people's right to food. In turn, poverty and hunger have led to an increased risk of forced and child labour and deforestation.

The current crisis has shown us not only how interdependent we all are but also how the destruction of nature, the deforestation as well as the climate and health crises are all interrelated, and share the exploitation of people and planet as a common root cause.

Despite this, some companies have taken short-term measures to protect their own interests while jeopardising the human rights of those in their supply chains: for example cancelling orders, while at the same time paying large dividends to their shareholders and claiming government bailouts.

There is a growing awareness of the need for resilient supply chains, but unfortunately this term is often interpreted from the point of view of corporate buyers that wish to ensure security of supply. It is essential that governments put in place support measures to ensure small producers and workers are resilient against future crises, but it is not enough. In the coming years, climate change will only aggravate the vulnerability and inequality of millions of small producers and workers.

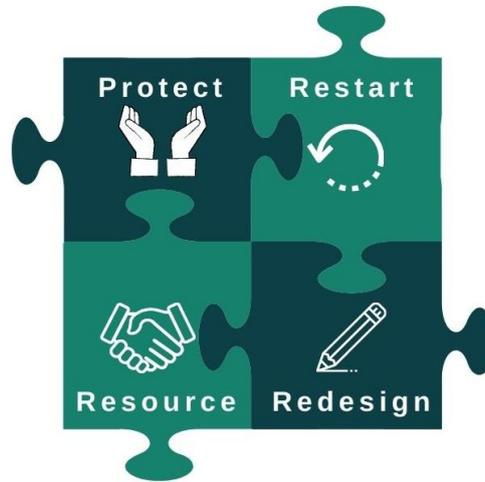
Returning to "business as usual" after the pandemic would reinforce the inequalities and unsustainability of our current system. Instead, a transformation of the economy and the governance of global supply chains is needed, not only in the interest of small producers and farmers, but also in the interest of present and future generations.

The transformations that we need

- From an economy based on competition ... to an economy based on cooperation.
- From trade policies that undermine sustainability objectives... to fair trade policies that incentivise fair and sustainable trade and disincentivise trade based on cheap products.
- From free trade and neoliberalism ... to fair trade public policy agendas, where an increasing share of trade is done in fair trade conditions, at local and international level.
- From a free market to a sustainability agenda with a smart mix of legal and bottom-up initiatives to transform supply chains, which enable all consumers to make sustainable and affordable consumption choices.
- From growing inequalities, to a reduction of inequalities, between South and North, rich and poor, women and men, small producers and large corporations.
- From overexploitation of the planet's natural resources... to an economic and agricultural model that respects the environment, reduces greenhouse emissions and promotes climate justice, within planetary boundaries.
- From markets overflowed with cheap food and fast fashion.... to an ever-increasing market share for Fair Trade and Organic supply chains, with as much circularity as possible.
- From short-term solutions that close off borders based on fear... to a fair interdependence between countries based on fair trade terms.
- From corporate capture and individual interests influencing policies.... to co-constructed public policies that shape the market to ensure it works for people and planet.
- From imbalances of power in supply chains... to economic democracy in supply chains, without corporate abuse and human rights violations, where small producers and workers have a strong voice.
- From "check-list" approaches to sustainability and human rights... to a transformation of trading and purchasing practices that make possible a living income for small producers and living wages for workers.
- From profit-primacy companies... to mission-primacy enterprises.
- From a culture of "business secrecy"... to a culture of transparency, including supply chain transparency and information on how value is shared.
- From a dominant culture of consumerism... to a sustainable way of living, and a New Deal for Nature and the Planet.

Our recommendations to governments

In view of the above, our recommendations to governments are organised around four axes, from more short-term and reactive to more long term and proactive:



PROTECT

- Ensure personal protection equipment is available to workers and farmers.
- When not safe to work, ensure farmers' and workers' income retention schemes.
- As long as social distance and lock-down measures are in place, freeze tax raises on the enterprises that produce basic needs as well as guarantee affordable prices for basic needs and for necessary inputs for agricultural production.

RESTART

- Make public stimulus packages available only to companies that comply with UN Guiding Principles on Business and Human Rights, OECD guidelines on responsible business conduct, responsible buying policies, gender equality, climate and responsible tax conduct commitments, with limits to shareholder dividends and directed by participatory decision-making and inclusive governance.
- Ensure Small and Medium Enterprises have access to affordable and patient finance, with preferential terms for Fair Trade and Social Enterprises, Cooperatives and other Social and Solidarity Economy actors.
- Put in place public policies in support of Fair Trade, Social Enterprises, Cooperatives and other Social and Solidarity Economy actors, Organic Agriculture and AgroEcological Practices, which will help these alternatives to gradually become the norm. These policies should include business support to producer organisations accessing new markets, preferential access to affordable and patient finance as well as raising awareness of citizens, in particular young people.

REDESIGN

- Adopt legislation to ensure all businesses and their suppliers respect human, labour and environmental rights, including through improved purchasing and trading practices.
- Promote gradual transformation of mainstream businesses from profit-primacy into mission-primacy business models that put people and planet before profit.

- Adopt ambitious national and, when relevant, regional targets to achieve the UN Sustainable Development Goals and rapidly reduce CO2 emissions and ensure the limit global temperature rise to 1.5C, as required by the Paris Agreement.

FAIR SHARE OF RESOURCES

- Reform taxation systems to incentivise Fair Trade and Organic products, Fair Trade and Social Enterprises, Cooperatives and other Social and Solidarity Economy actors and disincentivise supply chains based on exploitation of people and planet.
- Make responsible public procurement the norm and prioritise Fair Trade, Organic and Social Enterprises, Cooperatives and other Social and Solidarity Economy actors in the granting of public contracts.

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Signatories:



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