

The future is fair

# Fairtrade Carbon Credits

For 30+ years, Fairtrade has driven social justice through trade. Fairtrade remains the most recognized and trusted certification mark globally, with Canadian consumers overwhelmingly indicating that they have a positive impression of a brand that carries the FAIRTRADE Mark.

Fairtrade smallholder farmers and their communities have been hit the hardest by climate change, despite contributing the least to carbon emissions. Rising temperatures and changing rainfall patterns are impacting yield, product quality and increasing the prevalence of crop disease. Yet we depend on many of these farmers to grow our food.

**The Fairtrade Climate Standard** was launched in 2015 with the aim of supporting farmers and communities to raise their ability to respond to changes in climate by promoting greater fairness and inclusiveness within the carbon market. With this backdrop, Fairtrade carbon credits projects were developed as a tool to include and benefit producers who bear the greatest impact of climate change.

## Why Fairtrade Carbon Credits?

Fairtrade carbon credits projects enable producers to make contributions to climate change mitigation while adapting to climate change. Farmers are encouraged to implement projects such as replacing the use of wood-fuelled stoves with renewable energy such as biogas, and farmers are also encouraged to plant trees to protect the environment they live in. Through these actions carbon emissions are reduced, and communities earn an alternative income. They can sell these credits to companies who wish to demonstrate their contribution to the reduction of emissions while also working to reduce their existing carbon footprint.



**Producer empowerment**



**Climate resilience**



**Community Building**

## Fairtrade by the Numbers

**653,042** teq CO<sub>2</sub>

total verified carbon emission reductions to date

**80,000**

credits available for purchase

**66,000**

households are engaged in Fairtrade carbon credits projects in Burkina Faso, India, Lesotho, Uganda, Ethiopia, and Peru

**330,000**

people have benefited to date

**\$7.8 million USD**

generated in sales so far – each credit valued at the Fairtrade Minimum Price or above

**\$490,000 USD**

in Fairtrade Premium paid to producer organisations to increase their climate resilience

Fairtrade carbon credits in partnership with

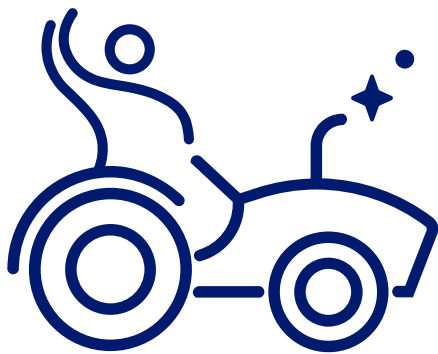
**Gold Standard**<sup>®</sup>

# The world's fairest carbon credits

The main goal of the Fairtrade Climate Standard is to ensure fairness in the voluntary carbon market. This is done by supporting smallholder farmers and their communities to develop their own carbon projects and sell their Fairtrade carbon credits at a fair price. Communities across Latin America, Africa and Asia are already experiencing a range of benefits from certified projects.

## Benefits for producers

The Standard enables smallholder farmers and rural communities to access the carbon market by making it simpler and more financially sustainable for the long term.



## Democracy and transparency

All producers participating in the projects have a voice and vote in the decision-making process of their organisation. The term and conditions of Fairtrade transactions are included in the Fairtrade producer and buyer contracts, making the process transparent for both parties.

## Producer ownership and local capacity building

Producers can take a more active role in carbon credits projects, through improving their climate change knowledge, building project management skills, including contribution, monitoring and maintenance. Most importantly, the producers own the carbon credits they generate.

## Fairtrade Minimum Price for each credit sold

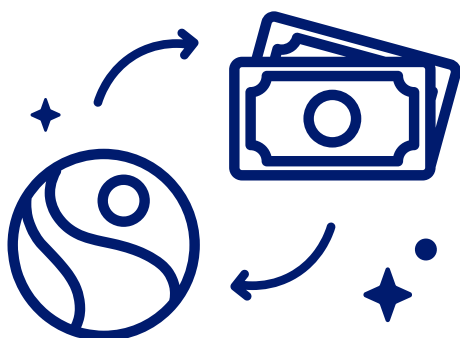
Higher than the going market price, the Minimum Price works as a safety net to ensure that projects are financially sustainable and viable. It covers the participation costs for producers and rural communities.

## An extra Fairtrade Premium payment of \$1.10 - 1.60 USD per credit

This is paid to the producer organization to invest in climate adaptation plans of their choice.

## Benefits for the buyer

Businesses can contribute towards climate protection by purchasing verifiable Fairtrade carbon credits.



## Credible carbon emissions with end buyer reductions

Businesses purchasing Fairtrade carbon credits at the end of the supply chain must put in place a credible plan to reduce their emissions and increasingly compensate their emissions, contributing to climate protection.

## Improving the sustainability of your supply chain

The purchase of Fairtrade carbon credits for your business helps reduce your carbon footprint through a direct investment towards moving the production of your product towards a low-carbon economy through a collaborative approach.

## Purchase from a credible brand

Fairtrade is the most recognised certification mark globally, and highly trusted by consumers.

## Fairtrade and Gold Standard Certified

The projects are both Fairtrade and Gold Standard certified, meaning that the emission reductions and the benefits to the local communities are measured and verified.

PROJECT

**Cookstoves for  
Coffee Farmers**

Location:

**Ethiopia**

Number of households:

**6000**

Implementation timeframe:

**2015-2022**

Fairtrade carbon credits sold:

**30,786**

Total revenue obtained  
for the credits:

**\$275,000 USD**

Fairtrade Premium received:

**\$47,868 USD**



Projects certified in line with the Fairtrade Climate Standard are contributing to the achievement of

**11  
Sustainable  
Development  
Goals**

**SUSTAINABLE  
DEVELOPMENT  
GOALS**

Coffee bushes need shade trees to be productive. But in the Arabica coffee growing region of Gimbi in Ethiopia, there has been severe forest degradation which has subsequently led to decreased coffee productivity. One of the major causes of the degradation is the use of firewood for cooking. The Fairtrade certified projects worked with the Oromia Coffee Farmers' Cooperative Union to train farmers in sustainable agricultural practices, such as efficient land use, planting shade trees and income diversification. The installation of renewable energy stoves from the project has contributed towards reducing deforestation and improved the overall environment of the area. It has also improved the health of women and created more time for them for other activities instead of collecting firewood.

A further benefit of the project is that women in the communities earn income through the manufacture of the stoves themselves.

**Fair is working together**

Fairtrade offers multiple ways that companies and brands can put their values into action. Work with us to transform your supply chain and discover what is fair through purchasing Fairtrade carbon credits or working on customized projects. For more information, visit: [fairtrade.ca/issues/climate](https://fairtrade.ca/issues/climate) or contact: [license@fairtrade.ca](mailto:license@fairtrade.ca).

