## Protecting forests with Fairtrade coffee

Starting in late 2024, new European Union regulation on deforestation will phase into operation to ensure that products causing deforestation or forest degradation are not sold in the EU. The new rules insist that businesses selling coffee in the European market, exporting coffee from Europe, or taking part in other business activities with coffee undertake a relevant due diligence process. The scope of the regulation is understood to cover importers, exporters, manufacturers, brands, and retailers.

The Fairtrade Standards, which include the **Fairtrade Minimum Price** and the **Fairtrade Premium**, complement the EU deforestation law and promote sharing the burden of meeting regulation more fairly amongst all stakeholders in the supply chain, from farmers to exporters and importers, to manufacturers, brands, and retailers. Fairtrade also offers additional payment for organic coffee, recognizing the extra costs related to organic production.

**Structural poverty is a root cause of deforestation.** Due to low prices and low incomes, poverty is widespread among many smallholder farmers in countries producing coffee. A lack of decent living conditions leads people to turn to the forest to fulfill fundamental needs such as food and energy. Smallholder farmers sometimes seek income opportunities by planting coffee in those already degraded areas, usually resulting in further soil damage and ongoing economic hardship. Fairtrade programs contribute to smallholder farmers protecting forests and promoting biodiversity.

**Forests must be protected with legislation that incorporates fairness and social justice.** The updated Fairtrade Coffee Standard sets the deforestation cut-off date at January 1, 2014, which means that no coffee should come from land deforested after that point. It also requires that all farms have recorded geolocation points — farms larger than four hectares must have polygon maps.

There can be no sustainable coffee sector until farmers earn a living income.

A range of tailored programs complements the Fairtrade Coffee Standard, including:

Producer organizations' access to deforestation monitoring data

Education projects about the environmental risks in coffee production, along with their prevention and mitigation

Programs to scale the adoption of agroecology principles, such as agroforestry

## Forests will only be protected when we work 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. To learn more about Fairtrade, visit: **fairtrade.ca** or contact: **license@fairtrade.ca**.





## How Fairtrade complements the EU Deforestation Regulation at each stage of the supply chain

Fairtrade Standards and programs support farmers and producer organizations to produce and trade coffee that does not rely on deforestation.



Fairtrade cooperatives protect forest, Fairtrade **Coffee Standard** 3.1.1 - 3.1.13: Cooperatives assess and monitor risk of deforestation as part of a wider HREDD analysis (3.1.3). Cooperatives use the results for a deforestation prevention and mitigation plan; raise awareness of risk areas amongst farmers and activities or production practices that have a negative impact; and promote the implementation of production practices that have a positive impact (**3.1.4, 3.1.13**). Exporters, importers, manufacturers, brands and retailers support cooperatives to

Fairtrade Coffee Standard 3.1.1. Protection of forest and ecosystems. No indication of deforestation since January 1, 2024.

Fairtrade Coffee Standard 3.1.2. No deforestation on farms. Farmers do not cause deforestation since December 31, 2018.

Fairtrade Coffee Standard 3.1.6. Cooperative has geolocation data for all 100% of farm units. Polygons if over 4 hectares.

Fairtrade Coffee Standard 3.1.7. Sharing geolocation data. Payer and conveyors have same data as 3.1.6 and share this with cooperatives.

**Program intervention:** Through our partnerships, Fairtrade provides farm-level satellite deforestation risk data to coops based on farm mapping data they provide, to meet Coffee Standard requirement 3.1.3. Where data are available, they are used by Fairtrade's assurance provider FLOCERT for deforestation risk identification per the Coffee Standard.

Fairtrade Coffee Standard 2.1.1. Members' production and sales information. Coops record individual member production and total production of the cooperative. This includes both estimated and actual production. Estimated production is compared to actual production and/ or sales. Significant differences are recorded, investigated and measures taken to prevent reoccurrence.

Fairtrade SPO Standard 2.1.1. Physical segregation of Fairtrade products. Coffee produced under Fairtrade trade is physically segregated from non-Fairtrade coffee at all stages.

Fairtrade SPO Standard 2.1.2. Documenting product flow. Cooperatives document the product flow map and traceability procedure from farmer to first buyer.

Exporter sends green coffee to consuming countries

Importer supplies green coffee to roasters, brand or own label

Coffee supplied to retailer for sale to consumer

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