

Model Fair Trade Procurement Policy for Universities

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1. Findings

Each university policy may include:

- *Statement of Purpose*
- *History of previous sustainability or value-led procurement efforts at the university, including any current related policies and/or rules that this policy will replace or update.*

The University [or other institution] spends [#] dollars per year on goods and services.

Many goods purchased by the University are sourced from outside the United States. Imported goods produced in a manner detrimental to the environment and/or to workers may cause social and environmental harm capable of regional or global impact.

Throughout the world, many laborers work under poor conditions for meager wages. Small farmers are often vulnerable to volatile market pricing and, due to long supply chains, receive prices below costs of production, which creates a cycle of debt and environmental degradation.

The University recognizes that its purchasing decisions can benefit or protect the environment and workers around the world. In its role as a market participant, the University seeks to direct its procurement toward products made fairly and sustainably.

"Fair trade" represents an innovative, market-based strategy that ensures fair labor practices and environmental sustainability in commodity and craft production. Fair trade's principles include guarantees of a minimum floor price, safe working conditions, sustainable soil and water use practices and funds for community development, as well as prohibitions on child labor, forced labor, and many harmful pesticides and fertilizers.

Additionally, purchasing fair trade products helps the University fulfill its commitment to [sustainability/fair wages and working conditions/promotion of the public good.]

Accordingly, the purpose of this policy is to establish procedures for the procurement of fair trade products in place of conventionally traded products during the normal course of purchasing.

2. Definition of Fair Trade

"Certified fair trade" designates any product that maintains a fair trade certification from, and adheres to the standards of, Fair Trade USA, Institute for Market Ecology (IMO)'s Fair For Life Program, or Fairtrade International. The inclusion of additional certifications shall be considered and proposed by the University's Fair Trade Advisory Committee.

Fair trade certifiers verify that the production of goods bearing their certification meets their social and environmental standards, as well as domestic labor law in the countries where goods are produced, and the International Labor Organization (ILO)'s 1998 Declaration on Fundamental Principles and Rights at Work. Relevant domestic labor laws include, but are not limited to, those regulating health and safety, wages and benefits, hours of work, overtime, disciplinary measures, harassment and abuse, contracts, freedom of association and the right to collective bargaining, forced and child labor, and discrimination, and work alongside ILO Principles that affirm these rights (please see Appendix A). Fair trade production standards also follow fair trade movement principles, cultivating environmental stewardship, creating opportunities for economically and socially marginalized producers, and developing transparent and accountable relationships throughout the supply chain.

In the case of artisan and craft goods, fair trade goods are those sold or provided by members of the Fair Trade Federation (FTF), or operators certified by or registered with IMO's Fair For Life Program.

3. Scope of Coverage

Goods covered by this policy shall be **certified fair trade** when purchased by the University for dining halls, self-operated cafes and eateries, offices, shops and other venues. Covered Goods include:

1. Coffee and espresso, including caffeinated and decaffeinated, purchased packaged or brewed to serve hot or iced, excluding vending machines and bottled coffee drinks.
2. Teas, including caffeinated and decaffeinated, loose leaf, in tea bags or brewed hot or iced, excluding tea sold in vending machines and prepackaged bottled teas.
3. Sugars, including granular, raw cane, brown sugar or powdered, sold, provided or served in bulk or in individual packets.
4. Cocoa, including hot or cold beverage chocolate in bulk or packets, served. For cocoa sold retail and for chocolate bars, see below.

Additional certified fair trade goods shall be **preferred when available** by campus food service and sale venues, either replacing or being offered alongside conventionally-traded items. These goods, such as bananas, chocolate bars, hot chocolate powder sold retail, rice, quinoa, and honey, shall be identified on an ongoing basis by the Advisory Committee, and shall become subject to the policy as they become available for procurement.

Fair trade artisanal products shall be **considered** when their product category is being purchased, such as for sale in the campus bookstore.

Coverage of goods by the policy shall be reviewed on an ongoing basis by the University Fair Trade Advisory Committee. New products, including apparel, may be included as standards and availability allow.

4. Implementation

The Food Service Director shall be responsible for building awareness of and adherence to this policy through information dissemination and incorporation into routine employee trainings.

Managers at each campus food service venue shall be responsible for:

- a. Developing bid specifications, market basket lists, and discount lists requiring vendors to offer certified fair trade products when applicable, at competitive prices;
- b. Developing and executing appropriate training for employees selling or serving certified fair trade products;
- c. Displaying signage at each entrance or cashier informing customers about the venue's fair trade products; and
- d. Ensuring venue compliance with the policy.

Vendors, including Food Commodity Providers and Food Service Providers, shall be responsible for:

- a. Providing Covered Goods in certified fair trade varieties on all relevant contracts;
- b. Providing the brand name of all Covered Goods supplied to the University;
- c. Working with the University to aid collection of data regarding purchase of Covered Goods, including automatic or streamlined data collection when applicable;
- d. Notifying the University if additional certified fair trade products have become available; and
- e. Notifying the University if products in supplied categories have violated fair trade certification standards, or if a product's certification has been revoked.

To promote supply chain transparency for certified fair trade products, the University reserves the right to request additional product supply chain information from vendors, such as country of origin.

The University shall form a Fair Trade Advisory Committee of 7-9 members drawn from staff and the student body to investigate how the University can maximize certified fair trade purchases.

The Committee shall include:

a student representative appointed by the undergraduate or graduate student association

- a student representative appointed by [campus fair trade or sustainability group]
- a student campus resident representative appointed by [the residence halls]
- a staff representative from campus dining halls
- a staff representative from the University bookstore
- a staff representative from the Central Purchasing Office or Food Service Department
- a faculty member

If an unrepresented entity applies for a position on the Committee, current members can create a new seat to represent the applying entity with a two-thirds majority vote.

This Advisory Committee shall meet at least twice a semester to evaluate and provide guidance on compliance. Terms shall last 2 years. The Committee shall be responsible for providing advice to the University about implementation of the policy, and setting goals for future compliance and expansion each year. In addition, the Committee shall develop the annual progress report, detailed below.

If evidence of non-compliance with fair trade certifier standards, domestic labor laws in the country of production, or International Labor Organization standards (see Appendix A) anywhere in the

supply chain for Covered Goods is presented to the University, the Food Service Director shall work with the Fair Trade Advisory Committee to respond. The Director and/or the Advisory Committee shall substantiate the claim by establishing communication with the fair trade certifier, and contact any vendors supplying the Covered Goods in question, requesting any available information on the violation and steps toward remediation. If violations persist, the Director shall notify vendors that those products may be eliminated from future contracts.

5. Exemptions

In the case of a fair trade product's unavailability to the University, a compliance waiver may be granted by the Advisory Committee for that product. "Unavailable" fair trade products are defined as those that are not on the market, fail to perform adequately, or would require a cost increase greater than 15%.

6. Data Collection and Performance Reporting

Managers at each campus food service venue will be responsible for submitting fair trade product procurement data from their venue, including:

- a. the dollar amount or number of pounds of Covered Goods purchased certified fair trade during the preceding year,
- b. the dollar amount or number of pounds of Covered Goods purchased conventionally-traded during the preceding year, and
- c. goals for expanded or deepened compliance with the policy in the coming year.

The Food Service Director shall coordinate submission of fair trade product procurement data from all applicable venues, and work with contractors to develop automatic or streamlined data collection. This will enable the University to track and report on the University's fair trade procurement activities and evaluate the effectiveness of the policy.

The University Fair Trade Advisory Committee shall develop an annual progress report on fair trade procurement activities, including aggregated fair trade procurement figures and policy or compliance expansion plans for the coming year. The report may be a stand-alone document or integrated into a larger report on sustainable or green procurement practices.

7. Compatibility and Preemption

Nothing in this policy shall be construed as requiring a department or contractor to procure products that do not perform adequately for their intended use, exclude adequate competition, or are not available at a reasonable price within a reasonable period of time. Nothing in this policy shall be construed as a bias against goods from locally owned businesses, unions, or minority or women-owned business enterprises. Goods shall be procured in accordance with all of the University's existing procurement policies and requirements.

8. Initiation

This policy goes into effect: [MONTH, DATE, YEAR]

Appendix A

A.1 Domestic labor standards: Production of goods procured under this policy must comply with domestic labor law in the country of origin. For purposes of this policy, domestic labor law includes international standards that are applicable to employers under domestic law. Examples of these laws include, but are not limited to, those regulating:

- a. health and safety;
- b. wages and benefits, including overtime compensation;
- c. hours of work, public holidays and leave
- d. discipline, violence, harassment and abuse;
- e. contracts for both short-term and long-term workers;
- f. freedom of association and collective bargaining;
- g. prohibition of forced labor;
- h. prohibition of child labor; and
- i. prohibition of discrimination.

A.2 International labor standards: All production of goods purchased under this policy must respect the four fundamental principles articulated in the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work.

(1) Freedom of association and the right to collective bargaining. A vendor or subcontractor must not interfere with the freedom of association and the right to collective bargaining. Examples of violations include, but are not limited to the following. A vendor or subcontractor must not:

(a) Interfere with a workers' organization or its efforts to organize workers.

Examples of non-compliance include, but are not limited to:

- i. Promoting the formation of a workers' organization to compete against an existing workers' organization.
- ii. Interfering with, manipulating or controlling a workers' organization.
- iii. Limiting the freedom of workers to meet without management present.
- iv. Restricting access of workers' representatives to workers in the workplace.

(b) Discriminate against a member of a workers' organization. Examples of non-compliance include, but are not limited to:

- i. Using membership in, or activities with, a workers' organization as a factor when making hiring decisions.
- ii. Using a blacklist of members of a workers' organization to ensure that they are not employed.
- iii. Offering or providing any incentive to workers to keep them from joining, or participating in the activities of, a workers' organization.
- iv. Threatening, intimidating or harassing workers who join, or participate in the activities of, a workers' organization.

(c) Refuse to bargain collectively in good faith on any issue or fail to implement any term in a collective bargaining agreement. Examples of non-compliance include, but are not limited to:

- i. Refusing to bargain collectively.
- ii. Refusing to bargain in good faith with worker representatives.
- iii. Limiting the issues that can be negotiated during collective bargaining.
- iv. Failing to implement any provision of a collective bargaining agreement in force.

(d) Interfere with an otherwise lawful strike by workers or retaliate against any worker for striking. Examples of non-compliance include, but are not limited to:

- i. Hiring new workers to replace striking workers.
- ii. Punishing any worker for participating in a strike.
- iii. Failing to reinstate all eligible workers after a strike.
- iv. Using security guards, the police or armed forces to break up a peaceful strike or to arrest any striking worker.

(2) Elimination of all forms of forced or compulsory labor. A vendor must not use any form of compulsory labor and must be assured that their subcontractors and commodity suppliers do not use any form of compulsory labor. Examples of violations include, but are not limited to the following. A vendor, subcontractor, or commodity supplier must not:

(a) Use bonded labor. Examples of non-compliance include, but are not limited to requiring payment of a debt to the employer or a third party in order to leave employment.

(b) Abuse prison laborers. Examples of non-compliance include, but are not limited to:

- i. Using a prisoner for work without that prisoner's consent.
- ii. Treating prisoners less favorably than non-prisoners with respect to wages, hours of work, or health and safety protections.

(c) Prevent a worker from freely leaving employment or a workplace. Examples of non-compliance include, but are not limited to:

- i. Preventing a worker from voluntarily leaving a workplace, including dormitories or industrial areas.
- ii. Locking all exits of a workplace or dormitory.
- iii. Refusing to return any personal document to a worker upon request.
- iv. Using or threatening to use violence, deportation, visa cancellation, immigration action or arrest to force a worker to work.

(d) Use economic coercion in conjunction with forced overtime. Examples of non-compliance include, but are not limited to:

- i. Requiring overtime work in order for a worker to make a legally mandated minimum wage.
- ii. Compelling a worker to work hours beyond legal limits by threatening to terminate employment or eliminate overtime hours.

(3) Abolition of child labor. A vendor must not use unlawful child labor and must ensure that their subcontractors and commodity suppliers do not use unlawful child labor. Examples of violations include, but are not limited to the following. A vendor, subcontractor or commodity supplier must not:

(a) Fail to keep adequate records of workers under 18 years of age. Examples of non-compliance include, but are not limited to:

- i. Failing to verify the age of a worker appearing to be under 18 years of age with available documentation.
- ii. Failing to keep a registry of all workers under 18 years of age.

(b) Employ a worker under 18 years of age in a way that is hazardous to health, safety or morals. Examples of non-compliance include, but are not limited to:

- i. Allowing a worker under 18 years of age to work overtime or at night.

- ii. Allowing a worker under 16 years of age to do physically hazardous work.
- iii. Allowing a worker between 16 and 18 years of age to do physically hazardous work without adequate safety training.
- iv. Frequently shouting at, insulting, or hitting a worker under 18 years of age.

(c) Employ any worker under 15 years of age or the age of completion of compulsory schooling, except as allowed by domestic law.

(4) Elimination of discrimination in respect of employment or occupation. A vendor or subcontractor must not discriminate against a worker.

(a) Examples of non-compliance include, but are not limited to the following:

- i. Recruiting in a way that expresses a discriminatory preference.
- ii. Discriminating in a decision regarding: hiring, conditions of work, pay, opportunities for promotion, access to training, or termination.
- iii. Harassing a worker in a way that discriminates, including sexual harassment.
- iv. Requiring a worker to undergo a pregnancy test or to use contraception.

(b) For purposes of this section, “discriminate” means to treat a worker differently based on that worker’s age, gender, race, color, origin, religious affiliation, sexual orientation, or political affiliation during any phase of employment, including, but not limited to: advertising for hiring, hiring, at work, discipline or promotion, termination, or in connection with benefits after termination.

A.3 Conflict between domestic and international standards

As an exception to section A.2, this policy does not require a vendor, subcontractor or commodity supplier to perform an act that violates a domestic law in a country of production. However, they must still honor international principles by:

- (1) permitting all activities related to freedom of association that are not prohibited by domestic law, and
- (2) avoiding practices that violate international standards under section 5.b unless a practice is mandated by domestic law.