Fair trade in Chile and its relations with Europe

Through the voices of its protagonists

Author: **Marco Coscione**

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Introduction

Many years have passed since 1991, when the European Parliament (EP) approved the "Resolution on coffee consumption as a means of active support for small Third World coffee producers and the introduction of that coffee within the European institutions", an official proposal through which the successful Dutch experience of Max Havelaar coffee was presented, the first precedent of the Fairtrade International certification.

With this resolution, the EP decided, *«following the example set by the Netherlands Parliament, to make only Max Havelaar branded coffee available within its premises from 1 January 1992, and calls on the other institutions of the Community to take similar decisions»* (PE, 1991: 34).

This was one of the first steps, among many others that followed, with which the institutions of the European Union (EU) would take an increasingly active role in the promotion of fair trade, in response to the profound advocacy and awareness-raising work developed by the fair trade movement as a whole, in the face of the continuous demands of citizens/consumers for the search for and creation of fairer and more sustainable models of production, trade and consumption.

In 2015, the previous EU Trade Strategy ("Trade for all"), included, in section 4.2.4, concrete actions for the promotion of fair and ethical trade schemes:

a) take advantage of free trade agreements to promote fair trade and other sustainable schemes, such as organic;

b) include fair and ethical trade more systematically in cooperation strategies and projects;

c) promote fair and ethical trade practices with small producers also through the Delegations of the European Union;

d) support international forums, such as the International Trade Centre, to collect market data on fair and ethical trade and monitor its evolution;

e) develop awareness-raising activities in the member countries, especially with local authorities, promoting the "EU City for Fair and Ethical Trade" award. (CE, 2015: 25).

The current trade policy review, published in February 2021, aiming at "An Open, Sustainable and Assertive Trade Policy", is strongly based on the concept of "Open Strategic Autonomy", as an approach to express leadership and collaboration that characterizes the EU through resilience and competitiveness, resilience and competitiveness, sustainability and equity, strength and cooperation (CE, 2021: 4-5).

Based on the EU commitment to «open and fair trade with well-functioning, diversified and sustainable global value chains», this study is the result of the dialogue between Chilean fair trade stakeholders
and the Delegation of the European Union in Chile, in the framework of the modernization of the Association Agreement between Chile and the European Union, whose negotiations were finalized at a technical level in November 2021, after 13 rounds that began in 2018.

This new agreement includes a stronger commitment to sustainable development, from labor protection to the preservation of the environment: Chilean small and medium-sized enterprises will be able to access, under equal conditions,

the EU public procurement market; and, in addition, a chapter on gender and trade will be included; this will more explicitly promote equal opportunities and the participation of women in bilateral trade. Both the gender approach and the promotion of SMEs are key aspects for the fair trade movement and the sustainability of global supply chains.

In this study, trying to describe the challenges of Chilean fair trade and its relations with European countries, after specifying the definition and principles of fair trade, as well as the main certification schemes at international level, we will focus on the trends of the European fair trade market and how these trends are related to Chilean products and producer organizations.

Then, we will get into the characterization of fair trade in Chile; through the collection of quantitative data and qualitative information, we will show the current overview of the movement in the country, giving broad space to the voices of its protagonists, representatives of the organizations and companies that promote the commercialization of fair trade handicraft and agricultural products. We will also include a brief description of other national labels that seek to add value to Chilean products. After delving into the field of public policies for the promotion of fair trade, with European and Latin American examples, this research ends with some brief conclusions and recommendations based on the analysis developed between March and July 2022.

With the active participation of fair trade organizations and companies, we hope that this study will become another useful advocacy tool of the movement in Chile; an excellent introduction to continue building relationships with the new national, regional and local authorities and also an instrument of commercial positioning for more European companies to promote fair and sustainable trade with Chile, taking advantage of the approach and benefits of the modernized Association Agreement.

1. Definition and principles of Fair Trade

Fair trade is an international socioeconomic movement that, since its pioneering experiences in the second post-war period, seeks to respond, in a holistic way, to the failure of conventional trade in its attempt to maintain responsible and sustainable production, trade and consumption models that promote development opportunities for the most disadvantaged actors in global supply chains: artisans, small-scale farmers and artisanal fishermen.

This movement is a very clear expression of the "Global Partnership for Sustainable Development" as expressed in Sustainable Development Goals (SDG) number 17. This is because it has a multidimensional development approach (encompassing economic, social, environmental and political aspects), multilevel (from the local level of a coffee farm to the international level of global fair trade networks) and multistakeholder or multiactor (from farmers or consumers to institutional actors such as the European Union or the United Nations).

Fair trade is a commercial model that places at the center human beings, harmony with nature, social, economic and environmental sustainability of the societies in which we live and develop, and the dignity of work, as opposed to pure economic profit.

The integral sustainability of global value chains, respect for and promotion of human and labor rights, as well as the co-responsibility of all actors involved, especially regarding the enormous challenges of global warming and its effects on the climate, are fundamental characteristics of fair trade development approach.

Its main objectives are: **a)** to guarantee artisans, small producers and artisanal fishermen the most direct access to the market, under fair and equitable conditions; **b)** to guarantee workers proper working conditions, promoting their empowerment and associativity; **c)** to promote responsible consumption, not only environmentally or for individual health, but also economically and socially, in order to reduce inequalities and seek a better balance in global value chains.

Fair trade relationships *«exist within a "social contract" in which buyers (including final consumers) agree to do more than is expected by the conventional market, such as paying fair prices, providing pre-finance and offering support for development. In return for this, producers use the incomes of Fair Trade to improve their social, economic and environmental conditions. In this way, Fair Trade is not charity but a partnership for change and development through trade»* (WFTO y FI, 2018: 18).

This concept of "social contract" was taken up by the World Fair Trade Organization and Fairtrade International (the two major global fair trade networks) when updating the "Charter of Fair Trade Principles", published for the first time in 2009, as a fundamental instrument to carry out joint advocacy work, especially with national and supranational political actors such as the European Union. The current "International Fair Trade Charter" strengthens this concept and also confirms the international definition (WFTO and FI, 2018:11) that the main European fair trade actors agreed at the end of the last century and the beginning of the 2000s.

«Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South.

Fair Trade Organizations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade».

This sustainable trade alliance embodies at least **ten fundamental principles**, recognized at international level and promoted by fair trade organizations and networks internationally:

PRINCIPLE 1

Providing opportunities for economically and socially disadvantaged producers.

PRINCIPLE 2

Business relations based on dialogue, transparency and accountability, with a focus on solidarity, democracy, transparency and long-term ties.

PRINCIPLE 3

Fair trade practices, at the center of which are human beings (with their traditions and cultural identities) and nature, not profit maximization at their expense.

PRINCIPLE 4

The payment of a fair price, a social premium and pre-financing, to guarantee the sustainability of the productive and commercial business.

PRINCIPLE 5

Strong rejection of child exploitation and forced labor, adhering to international treaties, but also rescuing the daily teaching practices that allow the transmission of all the wisdom and knowledge of agricultural, artisanal and fishing jobs that would otherwise be lost over time.

PRINCIPLE 6

Non-discrimination (for any reason) and gender equity, , promoting the empowerment processes of women and young people, as essential drivers of cultural change towards a non-patriarchal and less adult-centric society, and for the sustainability of enterprises and organizations

PRINCIPLE 7

Freedom of association and proper working conditions, through respect for international and national standards, dignifying work and people.

PRINCIPLE 8

Promote the development of capacities and skills, especially for the most disadvantaged and vulnerable groups.

PRINCIPLE 9

Promotion of Fair Trade, its principles and values by all actors, both commercial, political and civil society.

PRINCIPLE 10

Environmental sustainability, practicing it at all levels of the global value chains, especially protecting soil and water and with particular emphasis on actions to adapt to climate change.

Those of us who work in fair trade are directly aware of the benefits generated by this type of trade relations, starting with the possibility, very concrete, of continuing to remain linked to agriculture or craft activity, in a more sustainable way.

As evidenced in the International Fair Trade Charter (WFTO and FI, 2018: 27), several impact and case studies at international level have demonstrated the benefits of fair trade in several areas, especially:

- In increased income, or stability and security generated by improved income;

- The empowerment of farmers, artisans and workers of fair trade organizations, as well as the strengthening of the same producing and trading organizations, or companies;

- Increased participation of women in economic activity (not only productive but also commercial) and in decision-making processes within the organizations;

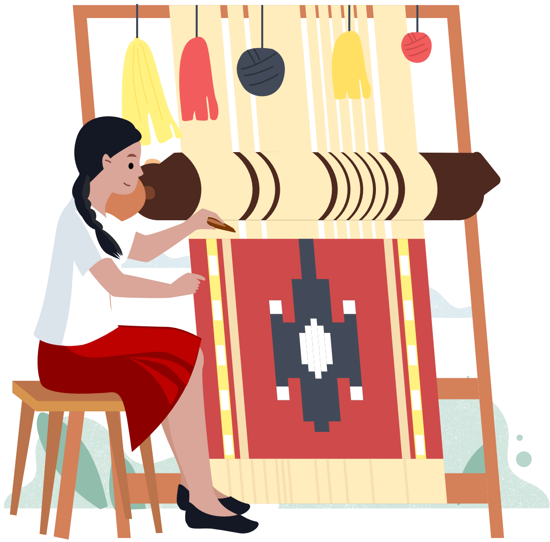
- In complementing the daily work of production with other initiatives, for example, in the area of environmental protection or fight against climate change, through adaptation actions or greater co-responsibility of all actors in the global chains in mitigating the negative impacts of the industry.

In this sense, fair trade has been recognized, on several occasions and by various international actors (such as the European Union and the United Nations), as a unique approach to the promotion of sustainable development.

2. Main Fair Trade certification scheme at international level

In this chapter, we will refer to the main fair trade certification schemes based on the "International Guide to Fair Trade Labels – Edition 2020" (CEF, FWP, FairNESS and FFH, 2020). The following schemes will be presented: 1) Fairtrade International; 2) World Fair Trade Organization (WFTO); 3) Ecocert - Fair for Life; 4) Small Producers' Symbol (SPP); 5) Fair Trade USA; and 6) Naturland Fair. To summarize the main elements of the guide, we will consider the following contents:

- Historical considerations
- Governance
- Typology of certified organizations
- Geographical scope
- Economic criteria
- Traceability
- Rules for the use of the trademark on products
- Long-term commitment
- Control of the fair trade premium
- Environmental criteria



2.1 Fairtrade International

» HISTORICAL CONSIDERATIONS

In 1997, from the merger between Max Havelaar (first initiative for fair trade certification since 1988) and TransFair (second initiative, since 1992), the Fairtrade Labeling Organizations International e.V. (known as FLO) was born, which now is Fairtrade International. Since 2002, FLO adopted the term and trademark "Fairtrade" (one word), with its characteristic logo on a black background.

In 2004, to separate the tasks of establishing standards, marketing, advocacy and support for producers, on the one hand, and certification and audits, on the other, FLOCERT was created, the only certification body authorized by Fairtrade International and accredited under the ISO 17065 standard.

Since 2021, the Fairtrade brand, which was registered as a "trademark" in the European Union, has been registered and accepted as a "certification mark". This implies other obligations in terms of transparency towards the consumer.

» GOVERNANCE

With the change of Fairtrade International's statutes in 2012, the three Producer Networks (Fairtrade Africa, CLAC in Latin America and the Caribbean, and NAPP in Asia and the Pacific) become co-owners of the Fairtrade International system, together holding 50% of the votes in the system's General Assembly where, in addition, the National Fairtrade Organizations (NFOs) of the consumer countries, where the certified products are traded, also vote.

» TYPOLOGY OF CERTIFIED ORGANIZATIONS

Fairtrade International considers:

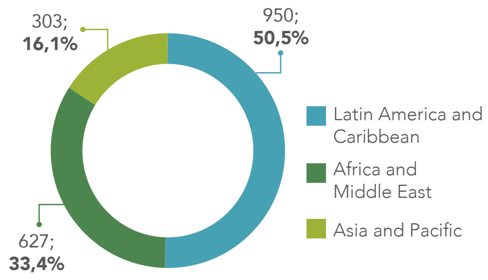
- "Agricultural "Small Producers' Organizations";
- "Contract farming", currently only for certain products and countries;
- Private agricultural plantations or companies that employ salaried labor (excluding coffee, cocoa, sugar and honey);
- "Small-scale artisanal mining";
- "Clothing manufacturers" with textile standards, as well as sports ball manufacturers.

There are generic standards by type of producer, as well as standards by type of production. The certification system also covers exporters, importers and processors, but there are no criteria for supermarkets or final distributors.

» GEOGRAPHIC SCOPE

Fairtrade certified producers are located in developing countries (Global South), with low to medium development conditions. However, the first pilots for using the Fairtrade mark are already underway with producers in the Global North, such as the french dairy cooperatives of the "Association Centrale des Laiteries Coopératives des Charentes et du Poitou (ACLCCP)"1. In China, on the other hand, both plantations and contract farming are excluded.

Number of Fairtrade certified producer organizations (2020)



Source: https://www.fairtrade.net/impact/fairtrade-producers-overview

[1] See "Le label Fairtrade/Max Havelaar s'ouvre aux agriculteurs français", at: https://maxhavelaarfrance.org/le-commerce-equitable/filieres-francaises

» ECONOMIC CRITERIA

For the raw materials of many products, especially the most important in terms of sales, the Fairtrade system manages to guarantee a minimum price below which Fairtrade contracts cannot be made. These minimums are updated periodically after consultation with stakeholders (producers, buyers, NFOs, etc.). However, not all products have minimum prices; for some products only the market price applies. Secondary products and derivatives also do not have minimum prices.

When the market price is higher than the Fairtrade minimum price, then contracts are established based on the market price (plus possible differentials for quality, origin, organic production, etc.). A premium is always added, usually 10% more, which the assembly of members or workers decide how to use in a democratic way: «For each product the premium is set by Fairtrade International and the value of the Fairtrade premium per unit of weight of Fairtrade product is available online. A default Fairtrade premium of 15% of the negotiated price for the secondary product and/or its derivatives must be paid in addition to the negotiated price» (CEF, FWP, FairNESS and FFH, 2020: 38).

Commercial intermediaries should offer the option of pre-financing (at least 60% for most products) to producer organizations. This can be done through the support of external solidarity financial institutions.

» TRACEABLITY

Physical and documentary traceability are requirements. However, in the areas of fruit for juices, tea, sugar and cocoa, physical traceability cannot always be guaranteed. In these cases, the system applies the "mass balance" requirement, by means of documentary traceability of the volumes of certified product with regards to the conventional product produced in the same production process. This means ensuring that the volume of product sold as fair trade is the same as the volume purchased as fair trade.

» RULES FOR THE USE OF THE TRADEMARK ON PRODUCTS

For multi-ingredient products, the general rule "all that can be" applies, i.e. all that can be Fairtrade certified must be Fairtrade ingredients. However, there are exceptions.

«Food composite products contain at least 20% Fairtrade content. Where products contain more than 50% liquid or dairy, the liquid or dairy component should be removed from the percentage calculation» » (CEF, FWP, FairNESS y FFH, 2020: 39).

For single ingredient products, 100% must be certified.

In addition, there is the Fairtrade Sourced Ingredient (FSI) program applicable to all products except bananas. It allows traders to use a separate mark for composite products, indicating which product is certified.

In this sourcing model, the composite product carries these labels to indicate which ingredient is certified: for example, cashews in a pack of mixed nuts; or Fairtrade honey used in a pack of granolas or cereals where the rest of the ingredients are not certified, even if they could be sourced from other Fairtrade certified producers[2].

» LONG-TERM COMMITMENT

At least 2 years are recommended for all products, with the exception of cocoa for which 3 years are recommended. However, it is not a requirement.

[2] See "The Fairtrade Marks", at: https://www.fairtrade.net/about/fairtrade-marks

» CONTROL OF THE FAIR TRADE PREMIUM

In producer organizations, the use of the premium is voted by the producers' assembly and recorded in a "Fairtrade Development Plan".

In private plantations, a Fairtrade Premium Committee is made up of elected workers and manages the decisions made by all workers on the use of the premium: «*Managers of the company actively participate in the Fairtrade Premium. They have a non-voting advisory role but they have a right to block expenditure that would violate rules of the Fairtrade Premium*» (CEF, FWP, FairNESS and FFH, 2020: 43).

In contract production, the producers choose a common body to manage the premium and this body designs a development plan for its management. In this type of production scheme, the company plays a more relevant role in the construction and monitoring of the plan, even though it does not have the right to vote in the producers' representative body.

» ENVIRONMENTAL CRITERIA

There is a section on environmental criteria in each standard. Producers must have procedures in place to reduce environmental impacts, waste of resources, degradation of natural resources, to prevent deforestation and promote ecological restoration, as well as adaptation to climate change. Lists of prohibited materials are available online3. Restricted and regulated use of pesticides is allowed. GMO crops are prohibited.

[3] See: https://files.fairtrade.net/standards/Hazardous_Materials_List_EN.pdf

2.2 World Fair Trade Organization (WFTO)

GUARANTEED FAIR TRADE

» HISTORICAL CONSIDERATIONS

Based on the experience of the European Fair Trade Association (EFTA), a network formed in 1987 by the 11 largest and pioneering European fair trade importers, the IFAT (International Federation of Alternative Trade), today WFTO, was created in 1989.
It is made up of solidarity-based traders in both the north and the south, 100% committed to the values and 10 principles of fair trade.

In 2004, within the WFTO, the self-evaluation **(1)** and peer review **(2)**;) process began; since 2013, external audits have been introduced **(3)**, trademark begins to be used for all products when the company is a guaranteed member.

» GOVERNANCE

The member organizations meet in general assembly every 2 years physically and at least every year virtually. Sometimes more, depending on the needs. The members elect the board of directors, the president, 5 directors (one from each geographic region represented) and up to 5 additional independent members.

» TYPOLOGY OF CERTIFIED ORGANIZATIONS

«Three types of groups are eligible to apply for WFTO membership:

- *Organizations that trade fair trade products (FTOs);*
- *Fair Trade Networks (FTNs);*
- *and Fair Trade Support Organizations (FTSOs).*

Some compliance criteria are not applicable to all groups. The compliance criteria aim to support hired workers— those who have an employment relationship with a FTO - as well as "producers" - people who make grow, or process products and sell them directly to the FTO.

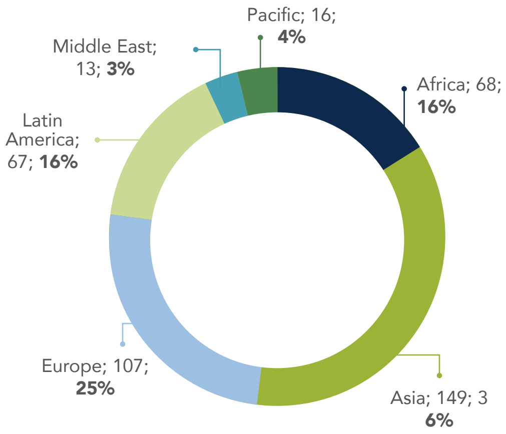
When producers are organized as "producer groups," the FTO is responsible for monitoring and reporting the group's compliance with the fair trade standard. When a producer or producer group hires more than 50 workers, it is considered a "supplier." Suppliers are mature, independent producers, intermediaries, or vendors that manage their own production, marketing, sales, and consumer relations. Suppliers must demonstrate compliance by becoming a WFTO member, being certified under a qualifying fair trade scheme, or complying with a WFTO member's internal monitoring system» (CEF, FWP, FairNESS and FFH, 2020: 8).

Fair trade should be the main activity of organizations wishing to join the WFTO.

» ALCANCE GEOGRÁFICO

WFTO members are present in all continents and economically marginalized producers are supported in the south as well as in the north.

Number of WFTO organizations by continent



Source: WFTO-Europe

» ECONOMIC CRITERIA

The fair price is negotiated between buyer and producer in a transparent way. It must be sustainable for the producer, but also meet market realities, and fairly remunerate all actors in the chain. In WFTO practice, it has been established to increase the final sale price, but not to include a premium. WFTO does not work with premiums, but with a higher price, because it gives producers more independence. For non-food producers the pre-financing is at least 50% interest free. For food producers the interest should be low (never higher than the cost of the loan).

» TRACEABILITY

Documentary and physical traceability is promoted; whenever possible, the majority of products should come from fair trade sources and the products should be effectively fair trade.

» RULES FOR THE USE OF THE TRADEMARK ON PRODUCTS

Organizations that have passed the control audit and signed the certification contract can use the WFTO seal on their products, adapting it with the name of the trading organization, or leave the generic reference "Guaranteed Fair Trade".

«If a buyer is not a member of the WFTO, they must sign a labelling contract with WFTO and pay a small fee (1% of the purchase value or 100 Euro minimum). This label may only be used on products that contain at least 95% of ingredient from a fair trade organization.

This means that a direct buyer is not allowed to sell multi-ingredient products. This label must only be used by the first buyer of a fair trade organization» (CEF, FWP, FairNESS and FFH, 2020: 81).

» LONG-TERM COMMITMENT

This fundamental principle of the movement is encouraged; if not, business relations cannot be terminated without due justification.

» CONTROL OF THE FAIR TRADE PREMIUM

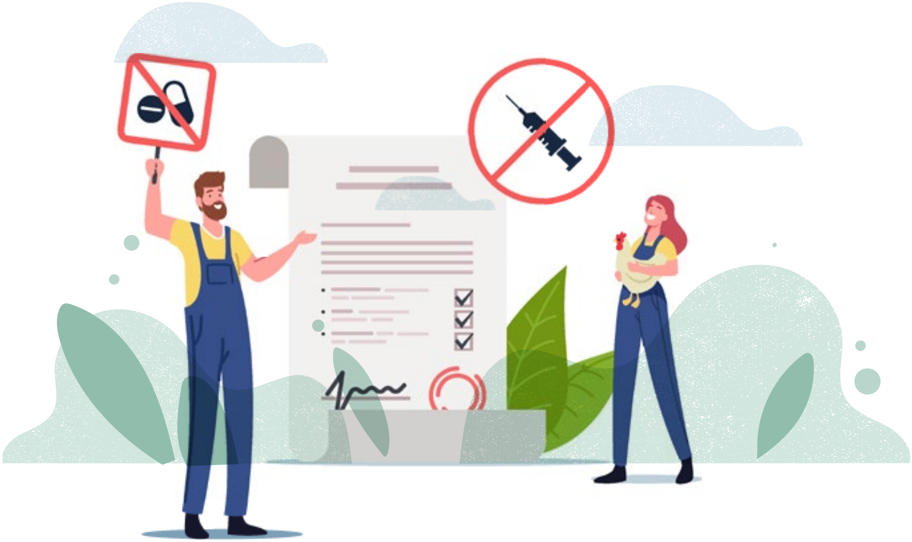
WFTO does not provide for payment of a premium.

» ENVIRONMENTAL CRITERIA

Agricultural producers are not required to have a specific organic certificate. However, if they do have them, the certificates will be recognized by WFTO.

The standards include policies on impacts and risks and risk reduction plans; provisions on energy, waste and biodiversity management, as well as progressive improvement plans.

Regarding biodiversity, policies for water and aquifer management, among others, are considered. WFTO includes the prohibition of nationally banned substances and those internationally identified as "highly hazardous". GMOs are not allowed.



2.3 Ecocert - Fair for Life

» HISTORICAL CONSIDERATIONS

In 2006, IMO (Institute for Marketecology) and the Bio-Foundation launched the "Fair for Life" program. When the IMO group companies merged into the Ecocert group, ownership of the program was transferred from Bio-Foundation to IMOgroup AG, allowing in 2017 the IMO Fair for Life and Ecocert Fair Trade ESR Standard to merge into the new Fair for Life Certification Standard for fair trade and responsible supply chains, owned by Ecocert S.A. and managed by Ecocert Environment.

» GOVERNANCE

Control is by Ecocert SA and the Revision Steering Committee. Producers are not involved in the ownership of the system. However, in accordance with the requirements of the of the ISEAL code (Code of Good Practice for Assessing the Impacts of Social and Environmental Standards), the different stakeholders (producers, buyers, consumers, etc.) participate in the setting of the standards and, in the control processes through the Scheme Committee, in the international public consultations considered by the Fair for Life system.

» TYPOLOGY OF CERTIFIED ORGANIZATIONS

Fair for Life considers:

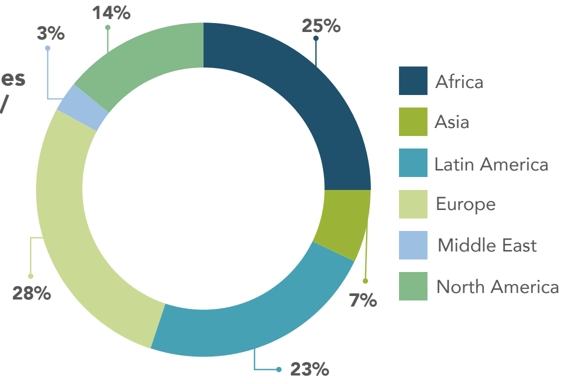
- The operations of organized (small) producers, seeking to maintain a focus on prioritizing this type of productive actors;
- "Contract production", with specific requirements for this productive reality;
- Plantations or private agribusinesses, which employ salaried labor, with a higher level of additional requirements, including support for small producers from large plantations.

» ALCANCE GEOGRÁFICO

Fair for Life certified companies (producers and buyers) can be located in both developing countries as well as in OECD countries.

The graph shows the distribution of all these companies.

Percentage of Fair For Life companies by continent/ region



Source: CEF, FWP, FairNESS y FFH (2020)

» ECONOMIC CRITERIA

Fair price is the result of negotiation between producers and buyers, based on a transparent calculation of sustainable production costs. The fair price must be at least 5 to 10% above the conventional price. There are no fixed minimum prices, but there is a base price that must be at least 10% above production costs, also considering the producer's working time. The fair price paid can never be less than this.

The fair trade premium must be at least 5% of the sales price and must be agreed for 3 years or until renegotiation.

Pre-financing (up to 50% of the contracted order) can be requested by the producer organization.

» TRACEABILITY

Physical traceability is required at all stages of the chain and documentary traceability is required for every element of the chain. The use of Mass Balance is not allowed.

» RULES FOR THE USE OF THE TRADEMARK ON PRODUCTS

According to Annex 1 of the "Standard for Fair Trade and Responsible Supply Chain Certification", there are two categories of products that carry the Fair for Life trademark:

1) "Fair Trade Product", when at least 80% of the agricultural ingredients are certified; if textiles, at least 70% of the fibers and if crafts, at least 70% of the components. For cosmetic products, at least 80% of the agricultural ingredients (except Complex Chemically Processed Agricultural Ingredients) are certified and at least 10% of the total product.

2) "Product made with fair trade ingredients", when at least 20% of the agricultural ingredients are certified; at least 20% of the fibers in textiles and 20% of their components for crafts. For cosmetic products, at least 20% of the agricultural ingredients (except Complex Chemically Processed Agricultural Ingredients) and at least 5% of the total product.

There is a list of ingredients that must be fair trade; in addition, «made with Fair Trade ingredients products may not use the logo on the main display panel and only display it close to the list of ingredients, with the mention "made with fair trade ingredients"» (CEF, FWP, FairNESS and FFH, 2020: 27).

» LONG-TERM COMMITMENT

At least 3 years; if the commercial relationship ends earlier, it has to be justified.

» CONTROL OF THE FAIR TRADE PREMIUM

In producer organizations, there is a body in charge of their control and an annual report is issued.

In contract production and private plantations, there is also an inspection body made up of the direct beneficiaries of the premium, who are democratically elected. The premium development fund is managed in a separate account in the name of this supervisory body. An annual report is also issued.

In addition, the use of the premium is verified annually by means of the audit of the Certifying Entity, must be 100% documented and rendered.

» ENVIRONMENTAL CRITERIA

Given Ecocert's history of promoting organic production, organic certification is highly recommended, but not mandatory. Fair for Life also promotes criteria for sustainable management of water, energy, waste, biodiversity conservation and packaging materials. Plus additional criteria for conventional operations to ensure sustainable agricultural practices.

There are two categories of prohibited substances: **1)** those totally prohibited, and **2)** those prohibited with exceptions for a maximum period of 3 years. GMO seeds and seedlings or ingredients are totally prohibited.

2.4 Small Producers' Symbol (SPP)

» HISTORICAL CONSIDERATIONS

The SPP was born in 2006 as an initiative of the Latin American Network of Fair Trade Small Producers (CLAC), a network of producers and workers of the Fairtrade International system, to differentiate fair trade products from democratically organized small producers, facing the advance of products from private plantations.

Since 2014, SPP-Global has been independent of CLAC and continues to focus exclusively on small-scale agriculture and the cooperative and solidarity economy.

» GOVERNANCE

The highest body is the General Assembly, composed by the certified producer organizations who are the owners of SPP. Every three years, the Assembly elects the Board of Directors (2/3 producers, 1/3 are 3 representatives of commercial partners, 2 from the north and 1 from the South), the Supervisory Committee and the Standards and Procedures Committee.

» TYPOLOGY OF CERTIFIED ORGANIZATIONS

Agricultural "Small Producers' Organizations" can be certified under the SPP. Also artisans' organizations.

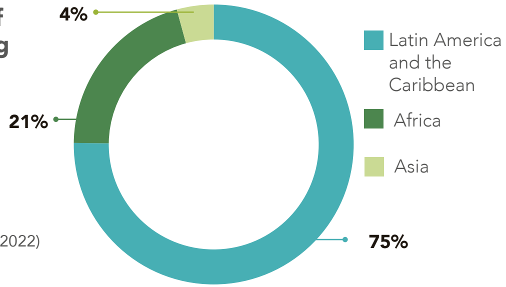
At least 85% of the agricultural producers in an organization must meet the following requirements

- *«Agriculture: 15 hectares in production.*
- *Indoor agriculture: 1 hectare in production*
- *Beekeeping: 500 hives in production.*
- *A maximum of 15% of producers may have up to 2 times the parameters defined. If there are some isolated producers who exceed these parameters of size, a request for a special permission must be submitted to SPP Global, with proper justification, so that the organization may eventually be subject to certification.*
- *For some products, exceptions are made to the size-limits in the Specific Parameters attachment to the standards: bananas (100% of producers <10 ha.), herbs (100% <1 ha.), quinoa (100%<3 ha)»* (CEF, FWP, FairNESS and FFH, 2020: 71).

» GEOGRAPHIC SCOPE

Only producers from the South of the World. Although it was created in Latin America, it already has producers in Africa and Asia, thanks to the commercial relations that its main buyers have in these two continents.

Percentage of SPP producing organizations by continent



Source: SPP (July of 2022)

» ECONIMIC CRITERIA

There are minimum prices for all products, reviewed every 5 years or when necessary. There is also an "organic recognition" and an "SPP incentive" for collective development (premium).

If producers request it, the buyer must provide a pre-financing of at least 60% of the final order.

» TRACEABLITY

Physical and documentary traceability of products must be guaranteed.

» RULES FOR THE USE OF THE TRADEMARK ON PRODUCTS

For single ingredient products, the ingredient must be 100% certified. For composite products, ingredients must be certified if available, if not available a temporary exemption is foreseen, but 50% of the product (weight without liquids) must be from certified raw materials clearly informing the consumer.

«*Transitional measures for products whose main ingredients represent less than half of the finished product's total weight:*

- *The product is SPP certified if the main ingredient represents at least 25% of the finished product and after two years the SPP certified ingredients must represent at least 50% of the product's total weight*» (CEF, FWP, FairNESS and FFH, 2020: 70).

» LONG-TERM COMMITMENT

«By the end of the second year of certification, all buyers must commit to purchase at least 5% of the value of all their products purchased, for which there are producers' organizations SPP certified, to SPP certified organizations.

After the second year, SPP label requires a continuous improvement approach, buyers to increase their purchases under SPP label by 5% each year until reaching a level of a least 25%» (CEF, FWP, FairNESS y FFH, 2020: 76).

» CONTROL OF THE FAIR TRADE PREMIUM

Use policies are established within the producing organization.

» ENVIRONMENTAL CRITERIA

Organic certification has become mandatory for all new organizations wishing to become certified.

There is a list of prohibited substances that is extended if national legislation is more restrictive

GMOs are prohibited.

A new SPP Environmental Chapter is currently being developed that considers criteria for organic and agroecological production to protect natural resources and support the commitment of Small Producers' Organizations to care for the environment.

2.5 Fair Trade USA

» HISTORICAL CONSIDERATIONS

Previously it was "TransFair USA", created in 1998. In 2012, Fair Trade USA became independent from the Fairtrade International system, creating its own scope of action and standards, expanding the participation of private companies (in addition to small producers' organizations) to all productive sectors and now also to artisanal fishermen. Fair Trade USA has 4 standards:

- APS (Agricultural Production Standard), for agricultural products;
- Capture Fish Standard, for artisanal fisheries;
- Factory Standard for Apparel and Home Goods, for household goods and clothing;
- Trade Standard for intermediaries, exporters, importers, processors, etc.

SCS Global Services and Control Union are the companies that carry out the auditing and certification process. Through its recognition program, Fair Trade USA recognizes Fairtrade International certification for agriculture; in addition, for aquaculture groups it recognizes, for compliance with module 4 of the APS, the following certifications: Aquaculture Stewardship Council - ASC, Wholefoods sustainable seafood and Best Aquaculture Practices - BAP.

» GOVERNANCE

There is a Board of Directors, with representatives of various stakeholders (including the producers), which is in charge of the strategic orientation and accountability of the organization. In addition, an advisory council, and the entire team.

Every five years, the standards development and revision procedure are subject to review in a public consultation, through which the opinion of all interested parties, especially those "not adequately represented", is solicited, following the principles of the ISEAL code.

» TYPOLOGY OF CERTIFIED ORGANIZATIONS

Fair Trade USA considers:

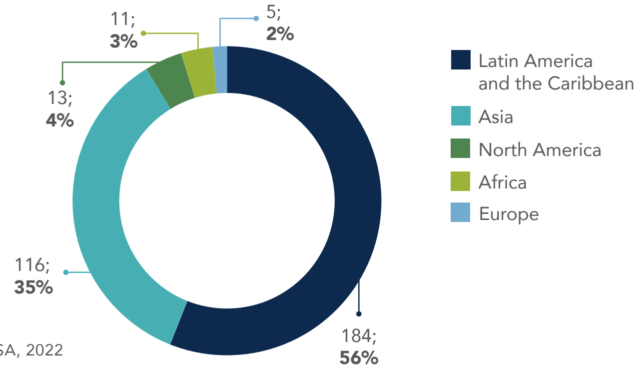
- Small Agricultural Producers' Organizations;
- Plantations or private agricultural enterprises, large, medium or small, employing salaried labor;
- "Artisanal fishermen's associations" of a democratic nature.

«Some requirements vary according to size of farm/facility (small is 5 and fewer permanent workers, no more than 25 workers on site at any one time; mid is 6-25 permanent, no more than 100 on site at any time). In cases where one entity owns several farms/facilities, the number of personnel are aggregated and the total is used to categorize the size. The following workers qualify as premium participants (beneficiaries): On mid/large farms – all workers (permanent/temporary, direct hire/ subcontracted); On small farms – all permanent workers are included (direct/sub-contracted); temporary workers are not required to be included. Thus, contract workers are beneficiaries unless they are temporarily employed on a small farm»
(CEF, FWP, FairNESS y FFH, 2020: 50).

» GEOGRAPHIC SCOPE

Fair Trade USA certified producers are located in developing countries, but also in the Global North, in countries such as Canada, the United States, Spain, Italy and New Zealand.

Geographic Distribution of FTUSA certified groups



Source: FTUSA, 2022

» ECONOMIC CRITERIA

Some products have a defined minimum price, but not all. Those that do not have a minimum price are purchased at market price, allowing a readjustment through a second payment.

Each sale includes a pre-set premium. Any use of the premium must be based on an assessment of the needs of the producers and communities; the distribution of the premium in cash or in kind is also allowed as long as it is justified and does not exceed 50% of its value. Buyers may offer pre-financing to producers upon request (up to 60% of the contract) through solidarity lenders.

» TRACEABLITY

In general, physical and documentary traceability must be guaranteed.

For products and ingredients where mass balance is permitted, this is only required from the farm to the point of first processing. This means that physical traceability is required up to a certain point in the chain and mass balance is allowed in those cases where it is impossible to continue physical traceability.

» RULES FOR THE USE OF THE TRADEMARK ON PRODUCTS

The product may contain up to 5% of non-certified ingredients (flavorings, additives, etc.), but 100% of all certified ingredients must be fair trade.

In composite products, in order to use the ingredient indicator trademark, at least 20% (by weight) of the ingredients must be certified.

Somewhere on the packaging, the percentage of certified content must be included.

» LONG-TERM COMMITMENT

It is not mandatory, but it is considered a good practice.

» CONTROL OF THE FAIR TRADE PREMIUM

Based on a needs assessment, the fair trade committee develops a premium plan that must be approved by all producers or workers. In case of Premium over 75,000 USD the accounting must be audited by a third party whose fees can be covered by the Premium itself.

» ENVIRONMENTAL CRITERIA

Fair Trade USA does not require organic certification for its producers; small producer organizations are allowed to use the Premium to achieve this certification.

Depending on the size of the certified production structures, standards for soil, water and waste management can be good practice, progress criteria or critical criteria. There are also requirements for biodiversity improvements and respect for protected areas. There are lists of banned and restricted pesticides, as well as requirements for the storage and transport of hazardous materials. After six years, farmers must have a comprehensive pest management plan. GMO crops are not allowed.

2.6 Naturland Fair

» HISTORICAL CONSIDERATIONS

Since the 1980s, this German organization has been a pioneer in Europe in promoting organic agriculture and now, worldwide, of agroecology, covering traditional farming activities, but also beekeeping, fish farming, fishing, sustainable forest management, textiles and cosmetics.

Since 2010, Naturland owns the fair trade certification "Naturland Fair".

» GOVERNANCE

The assembly of delegates is the highest body and is only composed of producers, while commercial actors and processors have no voting power in it. In addition, there is a board of directors that proposes the members of the standards committee who will be elected by the assembly of delegates. Naturland is not a member of the ISEAL Alliance.

» TYPOLOGY OF CERTIFIED ORGANIZATIONS

Naturland considers:

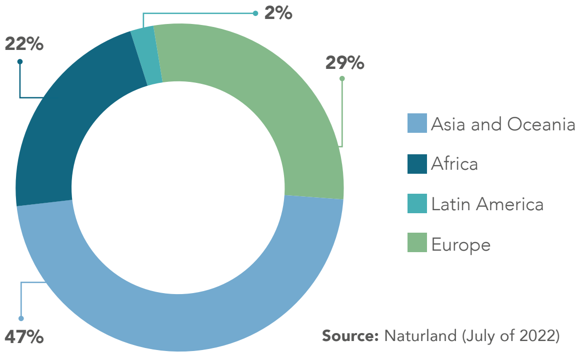
- "Small Producers' Organizations";
- "Individual producers with contract farming";
- Plantations or private agribusinesses, which employ salaried labor, only in the case where the products they offer are not available from small producers' organizations;

According to Naturaland's data, updated to the first half of 2022, only 8% of the member organizations are companies with hired labor. Producer organizations account for 92%.

» GEOGRAPHIC SCOPE

It is a mark for producers from both the South and the North.

At this time, it also includes organic aquaculture operations in Asia (China, Bangladesh, India, Indonesia and Vietnam), Europe (Croatia, France, Germany, Greece, Ireland and Spain) and Latin America (Ecuador, Honduras and Peru) and sustainable fisheries operations (Portugal/ Azores and Tanzania).



Source: Naturland (July of 2022)

» ECONOMIC CRITERIA

For the fair price, Naturland considers that:

- *«Fair prices should be determined jointly between producers and buyers and should reflect the average local production costs as well as a suitable margin for the producers.*
- *If a calculation of local production cost is not possible the internationally established fair trade minimum price should be paid.*
- *If it is not possible to calculate the local production cost of a product, the internationally established minimum fair trade price shall be paid.*
- *If there is no international introduced fair trade minimum price for a product existing, a price of at least 10% above the commonly accepted market-based price has to be paid»* (CEF, FWP, FairNESS y FFH, 2020: 65).

As for the premium, the established international premium is paid, taking Fairtrade International as a reference. In case it does not exist, a 10% more of the price is considered. The pre-financing is up to a maximum of 60% of the contracted order.

» TRACEABILITY

Full physical and documentary traceability is required.

» RULES FOR THE USE OF THE TRADEMARK ON PRODUCTS

Products with a single raw material can bear the Naturland Fair trademark if they are 100% organic and meet the organization's fair trade standards. Composite products bear the seal if 50% of their ingredients meet the standard (weight excluding water and salt) and it can be proven that the other ingredients are not available on the market as fair trade. Raw materials certified to other fair trade standards can also be used.

» LONG-TERM COMMITMENT

It is not mandatory, but Naturland directly monitors the exchange of information between the parties to ensure stable partnerships in the long term.

» CONTROL OF THE FAIR TRADE PREMIUM

«The use of the fair trade premium has to be managed by a decision-making body democratically elected in a plenary meeting of producers and/or employees» (CEF, FWP, FairNESS y FFH, 2020: 64).

» ENVIRONMENTAL CRITERIA

Every producing organization must become an integral part of the agroecological production, following the requirements of Naturland. There are comprehensive and and precise standards on the efficient use of energy and prioritization of renewable energy; sustainable use of water and proper waste management. Organic waste must be reused or composted.

Synthetic chemicals, growth regulators and GMOs are prohibited.

3.3. European market trends

In general, it is not easy to find updated data on fair trade market trends in the world or in Europe. For this purpose, we analyzed global information from Fairtrade International, EcoCert Fair For Life and the Small Producers' Symbol; and national information from countries with more sources available. A summary of the trends is available in Annex 1.

3.1 Fairtrade International

Fairtrade International reports allow us to visualize the growth that this market has had until 2020, the only year in which, as a result of the pandemic, there has been a decrease.

The annual report "Monitoring the scope and benefits of Fairtrade" (Fairtrade International, 2022), in its thirteenth edition, shows the significant growth in the number of Fairtrade certified organizations and the number of small producers and rural worker members. By the end of 2020, there were 1.880 Fairtrade certified organizations in 71 countries. The number of small-scale farmers who are members of certified organizations reached 1.772.368 people, 91% of all small-scale farmers and farm workers in the system. On the other hand, the number of agricultural workers, employed in certified private companies, reached 178.795 people (9%).

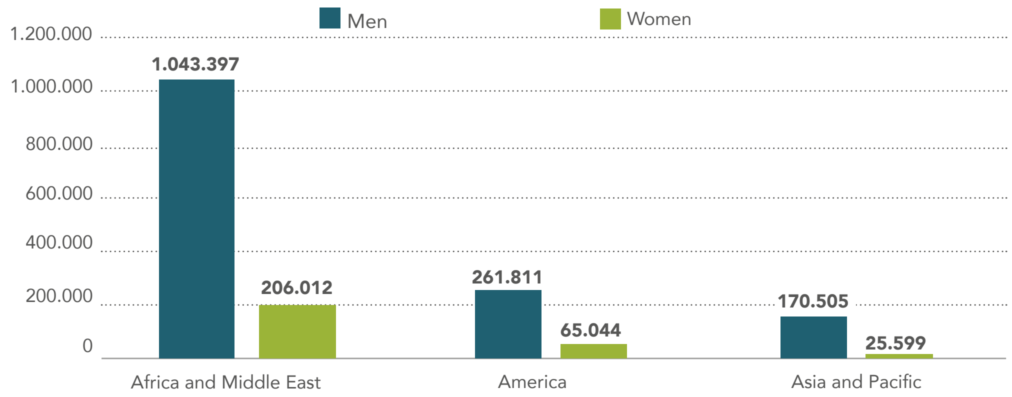
In Fairtrade certified small producer organizations, female participation reached 20% in Latin America and the Caribbean, 16% in Africa and the Middle East and 13% in Asia-Pacific. In companies that employ agricultural workers, these percentages are 22%, 43% and 48% respectively (Fairtrade International, 2022).

Regarding women's participation, it is worth mentioning that one of the two items with the highest number of women producers is wine grape production, a certified agricultural product that is very relevant today for the fair trade movement in Chile.

In this production area, 34% of Fairtrade producers are women. Among other relevant sectors for Chile, women participation reaches 36% in the production of nuts, 28% in seeds and oleaginous fruits, 18% in the walnuts sector, 14% in beekeeping and 16% in fresh fruit crops, excluding bananas (Fairtrade International, 2022).

The Fairtrade International (2022) report also shows reported sales volumes between 2018 and 2020. Wine grapes, walnuts and honey have all seen increases in their sales volumes in 2018 and 2019, and then a decrease in 2020. Nuts, on the other hand, have experienced a significant drop.

Participation of women in Fairtrade-certified agricultural small producers' organizations, by continent, 2020



Source: Fairtrade International, https://www.fairtrade.net/impact/fairtrade-producers-overview

Fairtrade sales volumes by product (2017-2020)

PRODUCT	UNIT	2018	2019	2020
Bananas	TM	686.172	773.430	738.874
Sugar Cane	TM	199.210	175.855	120.230
Cocoa	TM	259.692	250.473	175.412
Coffee	TM	214.692	226.254	226.338
Cotton	TM	10.188	10.591	11.759
Tea	TM	9.890	8.106	8.341
Flowers and Plants	Tallos	822.553.192	959.093.807	943.858.882
Nuts	TM	509	329	166
Fresh fruit	TM	53.576	117.735	113.549
Fruit juice	TM	19.732	3.378	1.530
Herbs, infusions and spices	TM	14.410	15.773	8.432
Honey	TM	3.574	4.580	4.020
Walnuts	TM	12.457	13.141	14.081
Seeds and oleaginous fruits	TM	4.826	16.886	20.344
Fruit pulp	TM	721	1.505	1.090
Rice	TM	11.940	9.659	9.562
Grapes for wine	TM	49.601	56.894	45.269
Vegetables	TM	4.907	3.205	3.160
Cereals	TM	1.564	3.763	3.679
Sports balls	Number	141.780	195.791	186.226
Gold and precious metals	Kg	-	80	112

Source: Fairtrade International (2022)

Although these data mostly reflect sales in European countries, they also include sales in other countries such as the United States, Canada, Australia, New Zealand, among others.

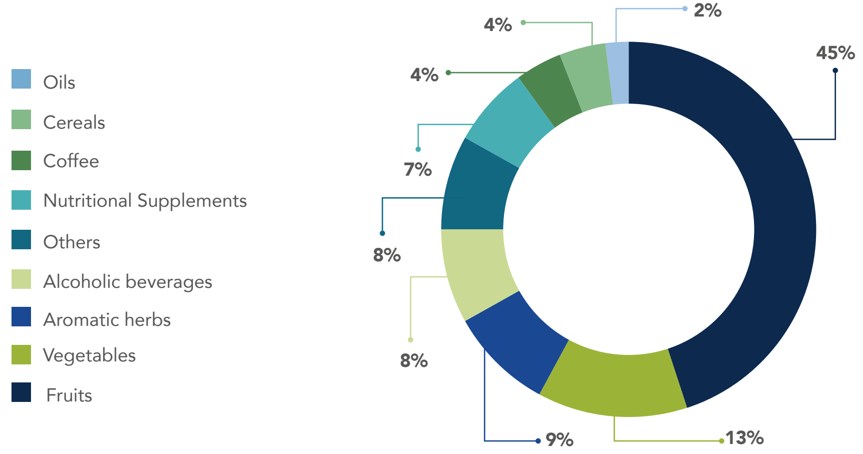
3.2 Ecocert Fair For Life

With regards to this certification scheme, according to Robin Ramakers (interview), *«in recent years, Fair For Life is seeing an increase in the variety of certified products in Latin America, especially the so-called superfoods and cosmetic ingredients: nuts, seeds, aloe vera, jojoba, berries, roots, herbs and spices, among others. The supply in these areas is growing, opening up niches in the United States and not only in Europe, which continues to be a market especially for the more traditional fair trade products. These new products also offer opportunities for Chilean producers».*

In terms of purchasing countries, France is currently the main buyer, with 21% of the market for certified Latin American products, followed by Germany (9%), the United States and the Netherlands (7%); the United Kingdom (3%), Belgium (2%) and Spain (1%).

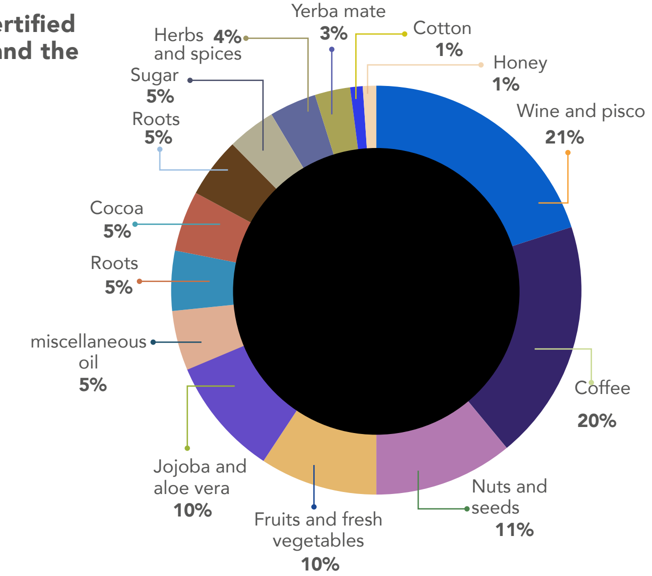
In addition, wine monopolies in the Nordic countries account for 7%, Latin American intermediaries for 15% (mainly vineyards buying grapes and exporters of certified coffee) and other non-certified buyers for 28%.

Fair For Life certified items in Latina America and the Caribbean (2020)



Source: Fair For Life Chile
Note: Alcoholic beverages: wine, pisco, mezcal and pure alcohol; Fruits: grapes, dried fruits, apples, berries, maqui; Cereals: quinoa, chia, maca

Diversity of Fair For Life-certified products in Latin America and the Caribbean (2022)



Fuente: Fair For Life Chile
Note: Nuts and seeds: quinoa, chia, tarwi, Amazonian chestnut, pecans (also includes rice); Fresh fruits and vegetables: mango, lemon, table grape, blueberries, exotic fruits, asparagus and peas, among others; Miscellaneous oils: rosehip, hazelnut, calafate, maqui, morchella, Inca Inchi, palm oil, olive oil; Roots: maca and sweet potato; Herbs and spices: ginger, turmeric and other herbs.

3.3 Small Producers' Symbol

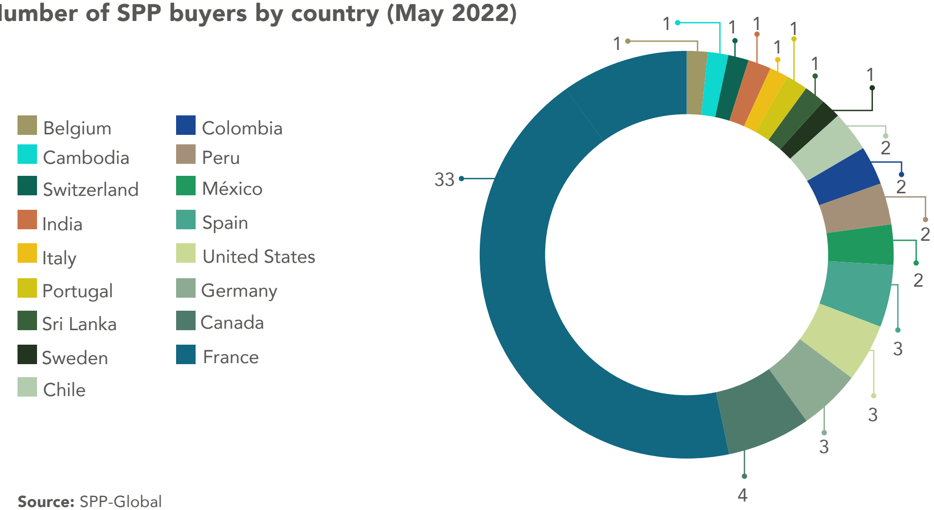
Finally, with regards to the purchasing companies that participate in the Small Producers' Symbol certification scheme, at the time of the study, a total of 62 companies (25 final buyers, 9 intermediaries/ maquiladoras and 28 small buyers) were certified as SPP buyers; of those 33 companies (12, 2 and 19 respectively) are French.

On the general situation of the SPP system, we interviewed Jerónimo Pruijn, CEO of SPP-Global. Since the end of 2019, as he told us, a certain downward trend in the prices paid by buyers started to be noticed, adjusting more and more to the minimum prices established by the SPP system.

This trend was coupled with stagnation due to market uncertainty caused by the pandemic, thus generating an overall not so favorable situation for SPP certified *«another clear trend is the increase in sales in supermarkets, which during the pandemic further strengthened their market position with regards to specialty stores. A trend that generates even more concentration»* (Jerónimo Pruijn, interview).

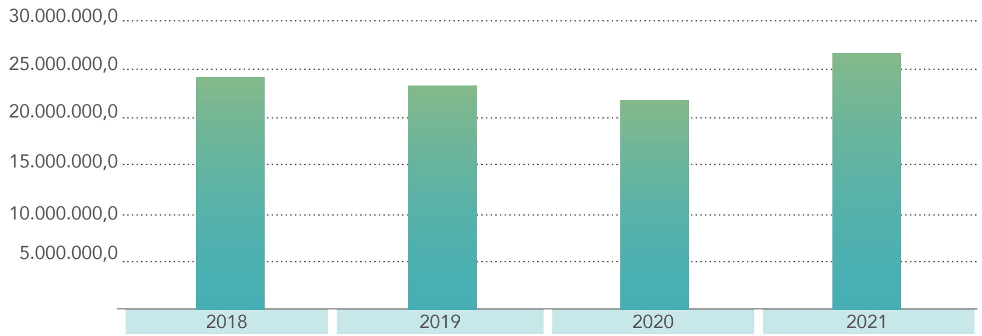
In 2021, on the contrary, SPP sales picked up again, closing the year with 24% more than in 2020, recovering and even surpassing pre-pandemic growth rates: *«our main market is Europe, with France in first place, where several companies continue to grow, greatly expanding the range of items sold with the SPP mark. For example, almost 80% of Ethiquable's products are SPP certified, and fewer of its products carry other fair trade marks. This, combined with the increase in the number of SPP buyers in the country, has made France the European country where SPP is most widely known»* (Jerónimo Pruijn, interview).

Number of SPP buyers by country (May 2022)



Source: SPP-Global

Total certified SPP sales (in USD, 2018-2021)



	2018	2019	2020	2021
Sales	**24.234.519,5**	**23.346.720,5**	**21.700.287,6**	**26.593.635,3**

Source: SPP

According to Jerónimo (interview), the variety of SPP products continues to grow: *«so far there are no certified wines, but there are other products such as honey or nuts that are relevant for Chile; in nuts and seeds there are market opportunities, while for honey the local competition in Europe is stronger»*. So far, no producer in Chile is certified with SPP.

To show trends in selected European countries, we have carried out:

1) a review of recent publications, both from fair trade organizations and from ProChile organizations;

2) several interviews with members of European fair trade organizations, who have provided us with valuable first-hand information and perspectives on the fair trade market in their respective countries;

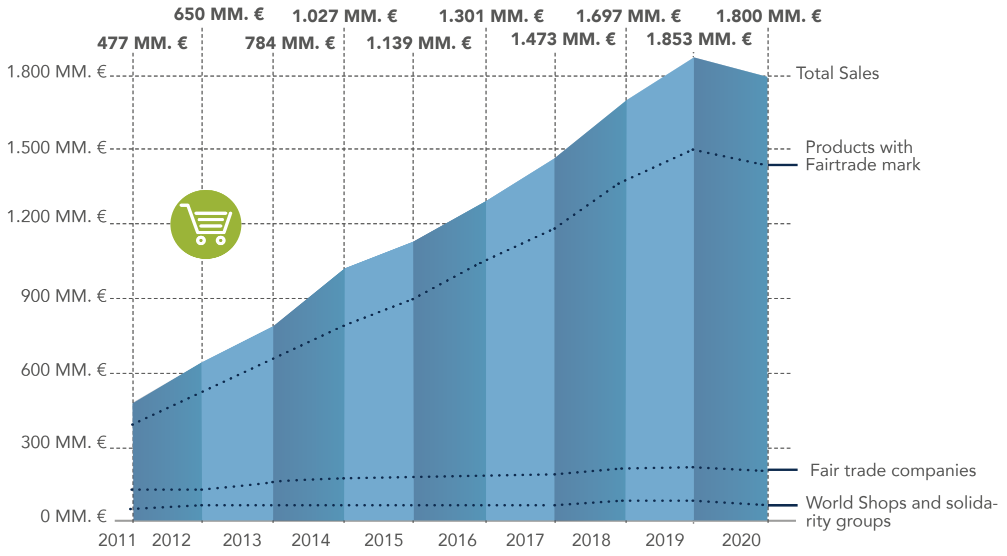
3) a brief survey to ProChile offices in several European countries.

3.4 Germany

The decline in sales, which has been experienced in the wake of the pandemic, is also evident in the report "Aktuelle Entwicklungen im Fairen Handel" (Current Developments in Fair Trade) published in 2021 by the German fair trade network Forum Fairer Handel - FFH (2021). Between 2019 and 2020, Germany experienced a decrease of 2.9 percentage points in sales of fair trade products at retail prices.

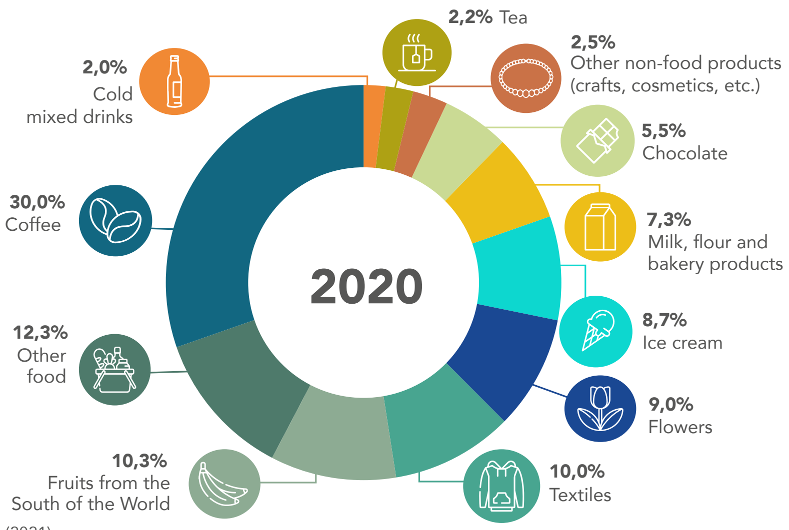
This decline is even more significant for fair trade stores ("World Shops") and solidarity purchasing groups, whose sales suffered a drop of 13.3% (FFH, 2021: 5). Against this trend, growth is shown, at national level, for coffee consumption (4.6% more compared to 2019) and, above all, for chocolates (32% more sales compared to 2019).

Total sales of fair trade products in Germany (2011-2020



Source: FFH (2021)

Consumer preferences, by fair trade products (Germany, 2020)



Source: FFH (2021)

On the other hand, artisans were particularly hard hit by the effects of the pandemic also on consumption priorities among German consumers.

Among the food categories relevant to Chile, honey sales accounted for 0,76% of total sales in 2020, and those of wine 1,22%, figures that were more or less unchanged in recent years[4].

Honey and wine as a percentage of total sales of fair trade products in Germany (2020)

Year	Honey	Wine
2017	1,02%	1,15%
2018	0,85%	1,01%
2019	0,84%	0,99%
2020	0,76%	1,22%

Source: data provided by Forum Fairer Handel

Total fair trade honey and wine sales in Germany (2020, in euros)

Year	Honey	Wine
2017	14.963.897	16.929.765
2018	14.322.941	17.099.475
2019	15.494.839	18.365.217
2020	14.172.838	22.565.947

Source: data provided by Forum Fairer Handel

While honey sales have remained practically stable between 2017 and 2020, wine sales have known a steady growth, going from almost 17 million euros in 2017 to 22.5 million euros in 2020.

The Forum Fairer Handel (2021:12) study also shows us trends in terms of consumer behavior. To the question "Do you buy fair trade products?", in 2021, 71% of the respondents answer positively (sum of "yes, regularly, occasionally, rarely"); that means a relevant increase compared to 44% in 2009.

On the other hand, the annual report of Fairtrade Deutschland (2021:10), the national organization of the Fairtrade International system, underlines that, «despite revenue losses of around five percent, fairly traded products in certain categories gained in market share and importance. [...] An increasing number of Fairtrade-certified products under manufacturer or store brand names led to continued growth, while gastronomy suffered drastic losses in some areas due to lockdowns» because of the pandemic.

Volumes of bananas sold fell by 14%, textiles by 30%, and cocoa beans by 3%. Relevant products for Chile, such as honey and wine, suffered drops in sales volumes of 5 and 16% respectively.

[4] These disaggregated data are not included in the report. We obtained them in conversation with Matthias Fiedler, managing director of Forum Fairer Handel (Berlin, Germany).

2020 Sales of main Fairtrade products in Germany and variation compared to 2019 (in euros and volumes)

PRODUCT (unit of measurement)	SALES 2020 (euros)	VARATION FROM 2019	VOLUMES SOLD	VARIATION IN REGARD TO 2019	ORGANIC IN REGARD TO VOLUME
Roasted coffee (tons)	492.038.158	-8%	24.164	+6%	68
Cocoa beans (FSP-FSI; ton)	477.576.777	-8%	69.089	-8%	0
Banana and tropical fruits (ton)	182.358.769	-19%	117.651	-14%	70
Flowers (stems)	178.527.423	-8%	15.593.061	-30%	53
Ice cream (liters)	167.391.872	+7%	507.248.098	+7%	0
Chocolate (ton)	160.728.003	+6%	11.358.869	+6%	0
Hot Beverages (liters)	61.058.003	+39%	3.231	+39%	49
Mixed Cold Drinks (liters)	36.991.696	-15%	4.477.762	-21%	95
Sugar (ton)	22.515.235	+9%	7.684	+31%	1
Juice (liters)	22.366.148	+4%	16.567.517	+4%	1
Tea (ton)	21.562.512	+20%	431	+20%	76
Sweets (ton)	20.118.090	-25%	2.633.632	-25%	35
Wine (liters)	13.168.161	-23%	1.405	-16%	5
Honey (ton)	11.745.974	-10%	16.886	-5%	5
Rice (ton)	9.146.437	+30%	1.236	+5%	96
Chocolate to drink (ton)	8.151.175	+11%	886	+15%	93
Species	2.474.168	-15%	124	-15%	55
Cosmetics (ton)	504.078	-14%	33.621	-43%	51
Gold (Kg)	243.144	+2%	6	+2%	n/a
Othres	59.314.846	+60%	n/a	n/a	n/a
TOTAL	**1.947.980.670**	**-5%**	**n/a**	**n/a**	**n/a**

Source: Fairtrade Deutschland (2021)

For the development of the study, we had the opportunity to interview Jorge Inostroza, a Chilean who has been working for 30 years at the German fair trade company GEPA5, one of the most important pioneers in Europe. Jorge coordinates GEPA's traditional sales department, i.e. sales of products through the so-called "World Shops", which amount to some 20 million euros a year in total, of which about 1.5 million euros in non-food products. During the pandemic, however, this department has suffered a decline of 2.5 million euros.

Only recently GEPA has also started online sales; these sales reach one million euros, of which about 100 thousand in crafts, cosmetics and textiles. «*Previously, all stores in Germany*», *Jorge told us*, «*had a very wide assortment of craft products; however, over the years, this has been reduced and the world of non-food products has been looking for more and more specialization. GEPA foresees, in the coming years, a significant reduction in the types of craft products that will be offered for sale*» (Jorge Inostroza, interview).

[5] https://www.gepa.de/home.html

Challenges for handicrafts, according to GEPA (Germany)

SUPPLY	DEMAND
Improve product quality, without weighing too heavily on price increases.	Promote alliances with designers and experts to identify trends and new products with growth potential.
Invest in standardized manufacturing for products.	Support small industry development projects in the South
Adapt products to the trends of new generations	Establish alliances with companies not traditionally linked to fair trade, for new sales channels.

According to Jorge, in the field of handicrafts, there has always been a very large supply that in the end is not being satisfied by the real sales opportunities in fair trade stores, the place par excellence for craft sales. In his opinion, for the sales of these products, there are obstacles to overcome on the demand side, but also challenges on the supply side.

If in food products the fair market today is characterized by its high quality and positioning «*with regards to crafts, the authenticity of the products, which has been promoted for decades, is today clashing with the preferences of mass consumers that we seek and their search for products that have a current sense of usefulness*» (Jorge Inostroza, interview).

According to Jorge, in the coming years, German market for non-food products will grow in quality textile products, with ecological and also recycled raw materials: «*Quality, fashionable clothes, clothes for work, and not only alternative and ethnic clothes; and for this the World Shops will have to deepen alliances with the business world outside the movement, including the world of recycling*» (Jorge Inostroza, interview). GEPA will also bet heavily on cosmetic products, which are of "fast consumption", such as soaps, creams, among others; and household products for daily use, also of more constant consumption over time.

«*To Chilean artisans, I would say to better adapt color palettes to the cultures and fashions of the different destination countries in Europe, thus offering differentiated products; and to the authorities, to deepen the work of trade promotion with potential customers in Europe; and to finance really effective market studies, to respond to the trends of the mass markets of Germany and Europe*» (Jorge Inostroza, interview)[6].

GEPA is not currently selling Chilean handicraft products; according to Jorge, this is mainly due to the cost of imports from Chile, which does not allow a good positioning of artisanal products in the German market. On the contrary, they continue their imports and sales of wines, honey and raisins, items where, however, at the moment GEPA has no options to increase purchases from producers. «*However, for these products, the transition to organic should be accelerated, as the German market is looking for certified organic food products*» (Jorge Inostroza, interview).

In 2020, ProChile published a sectoral study on organic blueberries in Germany, within the trend of consumption of healthy products. Despite being the third largest producer in the EU, after Spain and Poland, demand exceeds domestic supply and imports remain essential. The total import of blueberries to Germany, between 2014 and 2018, rose 233%, from 10,586 to 35,341 tons, remaining a potential niche for Chilean producers despite competition from other countries (ProChile, 2020c).

Another sectoral study on functional foods in the German market highlights that Chile would have opportunities in positioning functional products for their "superfood" characteristics such as seaweed, cochayuyo, maqui and berries in general. Despite criticism for the lack of scientific evidence regarding their alleged benefits, the annual per capita consumption of superfoods has reached 21 euros; in this category, chia seeds represent 63%, followed by dried fruits such as goji berries or aronia, and powdered nutritional supplements (ProChile, 2020d).

[6] Already in 2015, the Hamburg office of ProChile stressed that Germans are not aware of Chile's specialty food products and recommended deepening professionalization work of Chilean fair trade organizations to add value through the quality of packaging and labeling, and adaptation with consumer tastes.

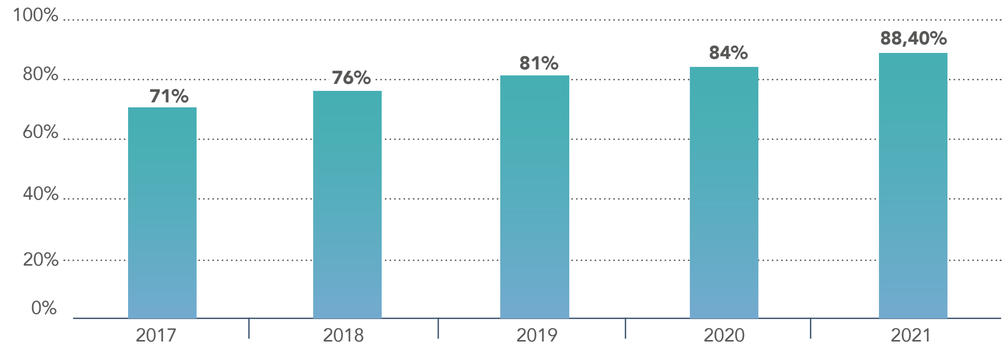
3.5 Belgium

In the case of Belgium, we were able to review the 2021 Annual Report of Fairtrade Belgium (2022), where some interesting data is evidenced, such as the percentage of households, at national level, in which at least one Fairtrade certified product is consumed. This percentage has been growing every year, reaching 88,4% in 2021, 4,9% more than in 2020.

More than 6.000 Fairtrade certified products are sold in Belgium, demonstrating the great potential for adding value from certified raw materials.

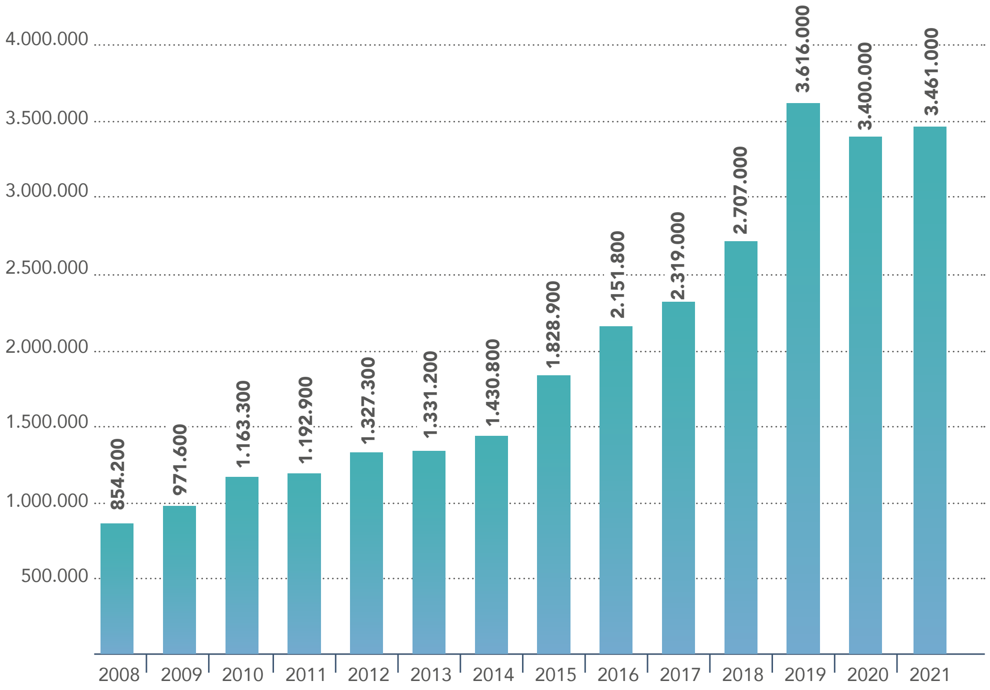
The Fairtrade Premium generation figures, published in Fairtrade Belgium's 2021 annual report, show the decrease in sales that has been known to occur during 2020, as a result of the contraction of international markets due to the global pandemic. However, they also show recovery during 2021.

Percentage of Belgian households buying, at least, one certified Fairtrade product.



Source: Fairtrade Belgium

Fairtrade Premium generated by certified sales in Belgium (2008-2021, in euros)

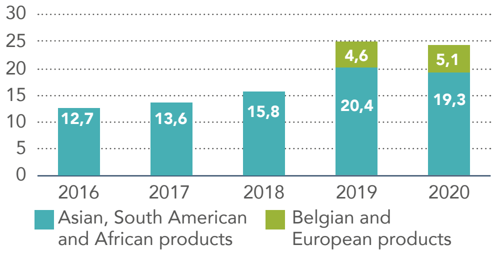


Source: Fairtrade Belgium (2022).

In 2021, the main Fairtrade certified products in Belgium, in order of premium generated, were: cocoa (€1.163.000), coffee (€912.000), bananas (€828.000), flowers (€196.000), sugar (€163.000) and cotton (€66.000). None of these categories is relevant for Chilean fair trade production.

In 2020, on average, the Belgian population spent €24,45 per capita on fair trade products, down slightly from 2019 (€24,92). Of this total, €19,31 was spent on products from international fair trade value chains, and €5,15 was spent on Belgian or European fair trade products[7].

Per capita consumption of fair trade products in Belgium (2016-2020, in euros)



Source: Communiqué de Presse: Semaine du Commerce Équitable 2021[8]

Finally, the "2020 Barometer on Fair Trade" study, commissioned by the Trade for Development Centre (TDC), a program of the Belgian development agency, reveals several interesting results:

- There is no clear association between responsible consumption and fair trade, while there is in relation to local consumption and ecology;
- In fact, 73% believe that fair trade should not be limited to producers in the South; when ranking fair trade, local, organic, ecological or ethical products, local products are the most important for all the groups interviewed (40% of respondents, compared to 21% for fair trade products);
- 86% of people know about fair trade and 82% understand that its definition is consistent with the imaginary that people have about it;
- 35% have an excellent opinion of fair trade; however, 57% feel that they receive too little information about fair trade; and 15% do not know whether they are buying fair trade products or not;
- 39% of Belgians think that if a product has a label, it will be purchased (47% young people and holding college degrees);
- For 52% of respondents, the pandemic has clearly impacted their consumption criteria, with increasing relevance of price, local provenance and how healthy the products purchased are;
- *«Belgians associate fair trade with respect for producers and with respect for the environment (especially the youngest). Belgians are particularly aware of the importance of fair trade for producers from the South and for the ecological and social transition; moreover, they feel they are doing a good deed when they buy fair trade products»* (Incidence 2020: 4).

In the case of Belgium, we were able to interview Patricia Vergara (interview), Product Manager (fashion: leather goods, textiles and jewelry) at Oxfam-Magasins du Monde, who told us that, during the pandemic, the stores were closed for a long time, but were operating on order, achieving interesting levels of sales of crafts: *«however, the drop in sales of these products is a fact. Conventional products are too cheap compared to fair trade crafts and textiles».*

This scenario led Oxfam-Magasins du Monde to implement a new market strategy: exchanging stocks of craft products with fair trade organizations in other countries; for example, with Solidar'Monde from France and with EZA Fairer Handel of Austria.

[7] See: https://semaineducommerceequitable.be/

[8] See: https://semaineducommerceequitable.be/

This made it possible to reduce warehouse's stock, thus facilitating the replacement of products with the possibility of offering new products to consumers in the different countries involved.

According to Patricia, in Belgium there is a clear trend towards the purchase of organic cotton textiles (especially newborn clothes) and products made from recycled raw materials, particularly clothing and accessories (for example, hats with plastic from recycled bottles or bags of "vegan leather" made from coconut nut fiber), but also everyday home objects.

In recent years, Oxfam in Belgium has developed the "Oxygen" line, for products produced in the North, also under fair trade criteria established for local production and marketing: *«We are already seeing a lot of growth in these products, a trend that seeks to strengthen short circuits, towards "kilometer 0" and the circular economy to manage waste generated locally and nationally»* (Patricia Vergara, interview).

A trend that could lead to a reduction in per capita consumption of products from the South of the world.

Oxfam-Magasins du Monde in Belgium, with regards to other European fair trade import centers, maintains a very wide variety of craft products; the search for new craft and textile products is being carried out in Africa, where previously the efforts were smaller and indirect, through organizations in other countries.

«From Chile, we are currently importing costume jewelry and the typical water or rain sticks; however, purchases from Chile have also been dropping. What we continue to see, for imports from Chile, is that the import procedures are very slow, and the loads take longer than expected. With COVID it was even worse» (Patricia Vergara, interview). However, she also mentions that Belgian consumers no longer feel the same attraction as before for copper or bronze jewelry, typical from Chile, and are looking for other types of jewelry: *«The quality of Chilean handicraft is good. However, organizations must improve delivery times.*

In addition, the cost of living is rising sharply in Chile, and this has a direct impact on the prices of the products we want to import» (Patricia Vergara, interview).

For the food area of Oxfam in Belgium, we interviewed Wim Melis, product manager (wines, spirits and beers) and very close counterpart to the Chilean fair trade wine world: *«Oxfam Fair Trade Belgium has been buying Chilean fair trade wines for several decades. Since the increase of Chile's trade openness in the late 1980s, our organization has started to forge strong ties with several associations of small producers in the Maule region. At that time, Chilean wine was hardly known and our work was very successful; at the beginning, Oxfam was the main importer of Chilean wine in the country»* (Wim Melis, interview).

In 2003, in addition to the stores, Oxfam Fair Trade Belgium started selling wines to supermarkets and this helped to increase imports of Fairtrade wines. This increase in imports also meant a broadening of the supplier base for certified wine.

Oxfam Fair Trade Belgium currently imports wines from Argentina, Chile and South Africa.

Wim told us that they are very clearly betting on organic, in all products. With wine, the commitment is to reach 100% organic wine by 2030; between 2017 and 2021, for example, they have gone from 14.5% to 31.2% of organic wine purchases over total purchases.

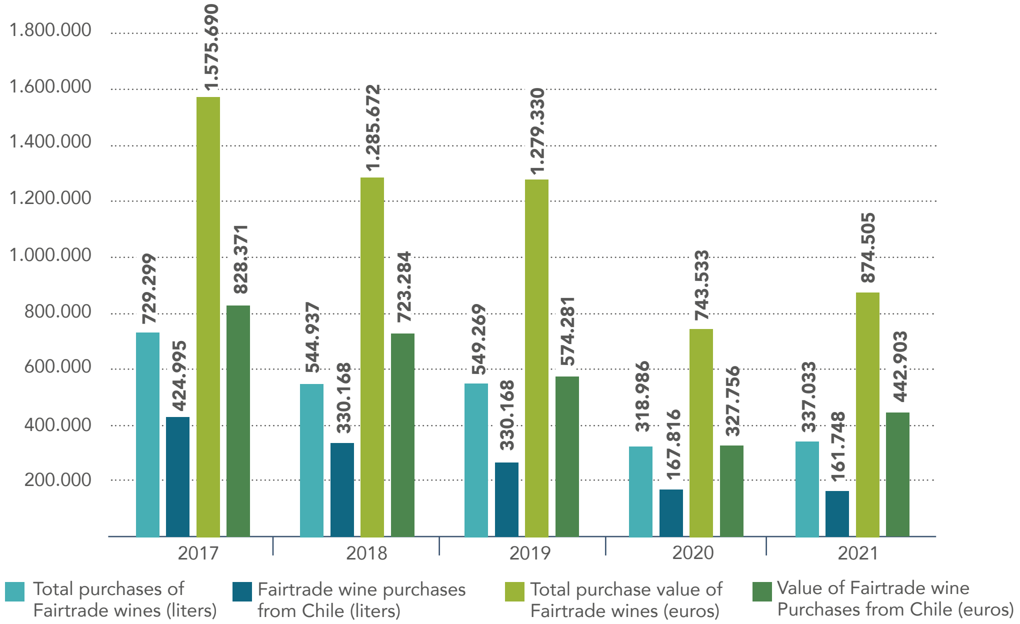
Fairtrade wine purchases by Oxfam Fair Trade Belgium (2017-2021)

	2017	2018	2019	2020	2021
Total Fairtrade wine purchases (liters)	729.299	544.937	549.269	318.986	337.033
Fairtrade wine purchases from Chile (litres)	424.995	330.168	266.019	167.816	161.748
% Chilean wines as a percentage of total purchases	58,27%	60,59%	48,43%	52,61%	47,99%
Total purchase value of Fairtrade wine (euros)	1.575.690	1.285.672	1.279.330	743.533	874.505
Value of Fairtrade wine purchases from Chile (euros)	828.371	723.284	574.281	327.756	442.903
% Chilean wines over total purchases (euros)	52,57%	56,26%	44,89%	44,08%	50,65%
Organic Fairtrade wine purchases (liters)	105.683	58.209	103.207	79.494	104.986
% organic wine purchases over total	14,49%	10,68%	18,79%	24,92%	31,15%
Total purchase value of Fairtrade organic wine (euros)	318.331	189.919	347.623	276.488	343.417
% value of organic wine purchases over total	20,20%	14,77%	27,17%	37,19%	39,27%
Purchases of organic Fairtrade wine from Chile (liters)	20.183	12.511	19.057	6.750	21.870
% organic Chilean wine purchases over total	19,10%	21,49%	18,46%	8,49	20,83%
Value of Fairtrade organic wine purchases from Chile (euros)	79.931	50.348	67.987	21.420	76.913
% Chilean wine over total Organic purchases	25,11%	26,51%	19,56%	7,75%	22,40%

Source: Oxfam Fair Trade Belgium

In recent years, Oxfam bought also other Chilean products such as honey and raisins, but the purchase is no longer direct and there is no strengthening of trade relations in these products. On the other hand, fair trade beers the Oxfam offers are made in Belgium with a sustainability-focused brewing company and include ingredients such as quinoa, tapioca, rice and sugar, imported from certified producers.

Purchases of Fairtrade wine, by Oxfam Fair Trade Belgium, (Volumes and values, total and from Chile, 2017-2021)



Source: data provided by Oxfam Fair Trade Belgium

One particularity of Oxfam Fair Trade Belgium is that it has also opted to import new products that are not certified but come from farmer groups or cooperatives whose production and commercial model is similar to the model of fair trade associations. This is the case of Chiloé garlic paste from the Punta Chilen de Chiloé Peasant Cooperative[9], and yellow papayas in jars from "Frutos de Lipimávida"[10]: *«both trade relationships, despite not being certified, were approved by our new projects commission and lasted almost 20 years; however, due to low sales in our stores, we finally had to give up. Unfortunately for the producers, because for them it meant a very positive impact in terms of income»* (Wim Melis, interview).

In the future, the most important product that Oxfam Fair Trade buys in Chile will continue to be wine, despite the decrease in its purchases in recent years, among other reasons due to the impact of the pandemic: *«there is currently a lot of debate about the ecological footprint of imported products, and for the new generations environmental issues are going to be increasingly relevant. However, we believe it is important to continue to support small producers in the South, also for products such as wine produced in Europe, so as not to weaken their position against the big players that dominate the market»* (Wim Melis, interview).

In the case of Belgium, we also interviewed Stijn Decoene, head of value chain and impact at Fairtrade Belgium, who told us that Fairtrade certified sales in Belgium are distributed almost exclusively to the five major retailers with whom Fairtrade Belgium works very closely; only in the case of coffee, there is also a good participation of hotels, restaurants and cafés – Horeca channel. (Stijn Decoene, interview).

Cocoa and its derivatives are the products with the greatest importance for Fairtrade Belgium, especially since the Belgian government proposed and launched, in December 2018, the public-private partnership "Beyond Chocolate - Belgian Sustainable Cocoa Partnership", whose objectives are to achieve sales, of chocolates whose cocoa comes from 100% deforestation-free crops (by 2030), certified by a sustainability standard (by 2025) and which guarantee a decent income to their producers (by 2030)[11].

This commitment involves more than 60 companies, covering 90% of Belgian chocolate production, and has really pushed the market for sustainable and fair trade chocolates: «*«these developments in the chocolate industry, on one hand, have generated conversations in other value chains as well; on the other hand, they open up opportunities for new initiatives to include other products in the chocolate value chain as well. At the moment, for example, there is a strong interest in cashew nuts, where a project on decent incomes is already being developed. Other nuts, such as peanuts, macadamia or almonds, are being sold, but at the moment they are not so important in terms of sales»* (Stijn Decoene, interview).

On the other hand, Fairtrade sales of honey in recent years are increasing; in contrast to sales of currants (for example), which are strongly decreasing.

Finally, Stijn Decoene confirms the growing trend of the fair trade movement at the local level; if there are local purchasing options, consumers prefer to buy local and this is becoming more and more evident. The Belgian Fairtrade Towns campaign in fact, included a sixth criterion that relates to local and sustainable agricultural products[12].

Fairtrade certified sales in Belgium (2018-2021, selected products).

	2018	2019	2020	2021
Wine (thousands of liters)	608,5	922,6	694,7	782,3
Juice and Beverages (thousands of liters)	1.464,8	1.772,0	998,3	952,4
Honey (TM)	46,3	48,9	67,4	62,4
Other Fresh Fruit (TM)	88,1	89,7	13,3	79,8
Walnuts and nuts (TM)	31,7	38,4	38,4	31,0

Source: Fairtrade Belgium

[9] https://chiloegourmet.cl/
[10] https://www.frutosdelipimavida.cl/
[11] See: https://www.idhsustainabletrade.com/initiative/beyondchocolate/_

3.6 Spain

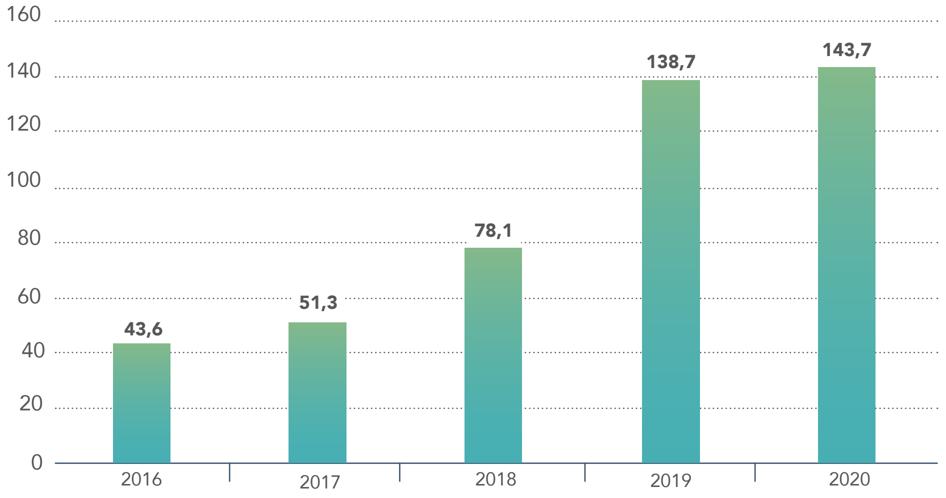
In the Iberian country, the State Fair Trade Network publishes an annual report on the development of fair trade.

At the time of developing this study, we were able to review the 2020 report.

Despite of the pandemic, sales of fair trade products in 2020 saw an increase of 3.6% compared to 2019, 5 million euros more in absolute terms (CECJ, 2020: 11).

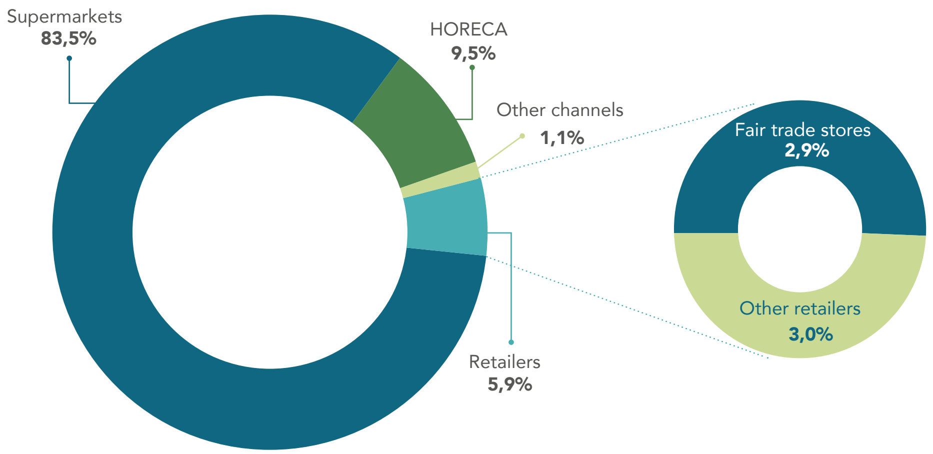
This increase is mainly due to sales of Fairtrade certified food through retail and, to a lesser extent, to sales made outside Spain by Spanish fair trade importers (1.76% more compared to 2019; CECJ, 2020: 12). Fairtrade stores continue to lose market share, almost one percentage point less compared to 2019; from 5.31 to 4.2 million euros between 2019 and 2020 (CECJ, 2020: 18 y 20): *«The figures clearly show h ow these establishments have felt the impact of the pandemic. The closure due to the State of Alarm and the subsequent restrictions on capacity, opening hours or mobility of the population, together with the impossibility of holding or participating in events and the economic crisis itself have taken their toll especially hard on the most vulnerable ring of the chain»* (CECJ, 2020: 17).

Fair trade sales in Spain, 2016-2020 (millions of euros)



Source: CECJ (2020)

Fair trade sales in Spain, 2019, by distribution channel (%)



Source: CECJ (2020)

[12] See: https://fairtradegemeenten.be/over-fairtradegemeente/6-criteria

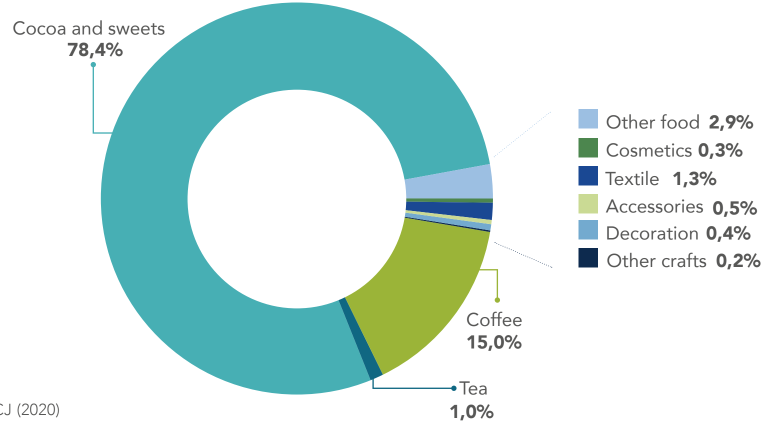
Food remains the most important area, accounting for 97,3% of sales, followed by crafts (2,4%) and cosmetics (0,3%). (CECJ, 2020: 14).

Among crafts, textile items are the most relevant, followed by accessories and decorations. Between 2016 and 2020, the craft area has undergone a steady decline, from 4,6% to 2,4% of total fair trade sales in the country (CECJ, 2020: 17).

Fair trade shops are practically the only sales spaces where consumers can find fair trade crafts. In fact, here, crafts account for 40,7% of sales (CECJ, 2020: 23).

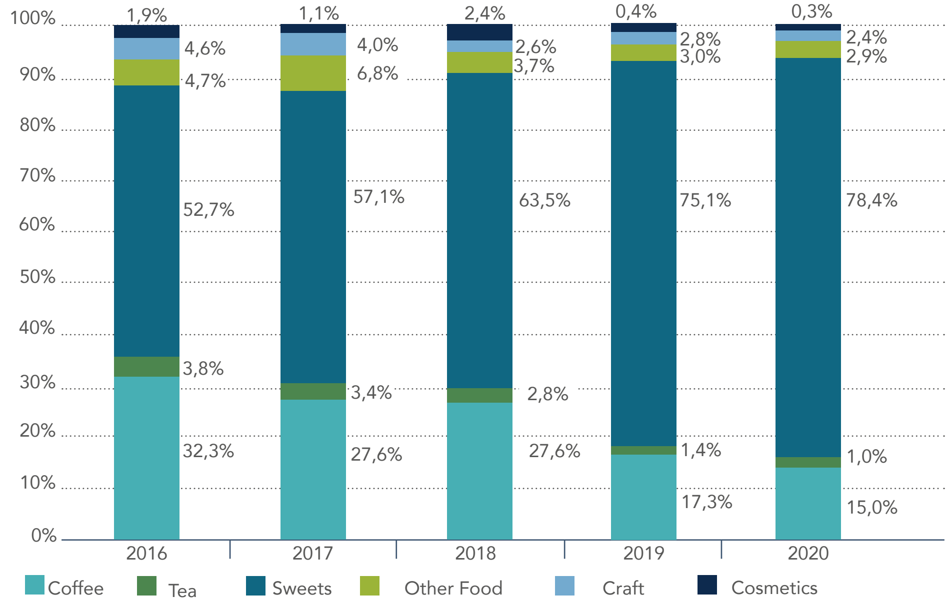
As Juanjo Martínez (interview), from Oxfam Intermón and President of WFTO-Europe: *«After many decades of fair trade, contrary to what has happened in agriculture, in my opinion it is more complicated to see the impact on the lives of artisans [...] With crafts we have not been as effective in generating development opportunities, and this is also due to the impossibility of establishing sustainable minimum prices for handicraft. These would be very high, perhaps 15 or 20 times more compared to conventional crafts, if we really took into account all the work of the artisan, the time invested and his or her needs».*

Fair trade sales in Spain, 2019, by main products (%)



Source: CECJ (2020)

Weight of sales of fair trade products in Spain, according to main categories, 2016-2020 (%).



Source: CECJ (2020)

According to him, we are experiencing an international crisis of handicrafts, which are no longer the protagonists, for example, of the gifts that were bought in fair trade stores *«I remember when rain sticks from Chile represented a category unto themselves, they were sold by the hundreds. But we haven't bought them for a long time. Today the competition from technological products or leisure activities, among others, is enormous; the market is shrinking and the differences to the so-called mass-produced crafts are widening. The future for fair trade crafts is not promising and we must adapt to new trends. In my opinion, where there are fair trade options is in the world of clothing and accessories that we wear. A growing market that, however, has its design and style needs, to which we must adapt if we want to find and keep market niches. It is a pity to say it, because in a certain way the origin and culture of the producing community can be lost, but it is a necessity»* (Juanjo Martínez, interview).

In this regard, strategic alliances with companies in Europe that have experts and designers who can constantly monitor production, and thus respond to market needs, are key. The conversion of groups of artisans to products related to clothing and accessories is, in the opinion of Juanjo Martínez (interview), an urgent need.

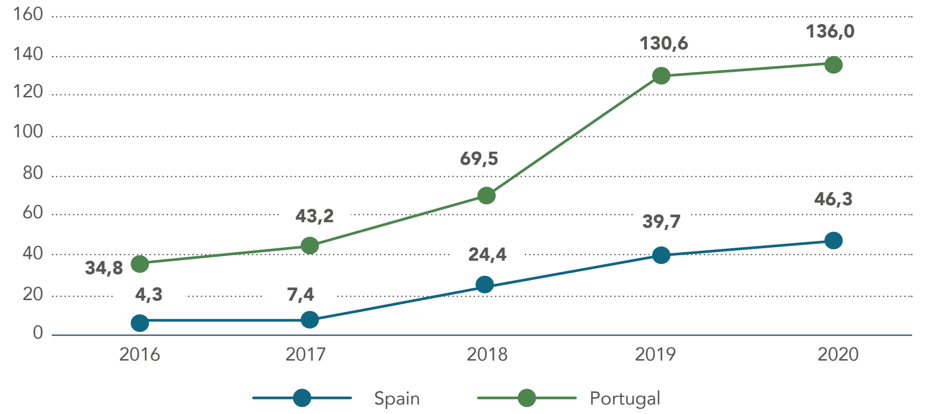
This option is also connected to the origin of cotton as an agricultural sector in which there are also certified producers within the Fairtrade International system. It would be an opportunity, therefore, to bring together the two worlds, agricultural and artisanal fair trade, offering a high quality product: *«in this regard, it is curious to mention that two of the cotton products where we have obtained excellent results are quality pajamas and socks, with Fairtrade, organic and good grammage cotton»* (Juanjo Martínez, interview).

The other trend is related to clothes made from recycled material where, however, great care must be taken in the value chain and the truthfulness of the messages to be transmitted.

In addition to these products, an opportunity is also identified in household products, which have a concrete utility; however, competitiveness in terms of price would still be a problem since quality attributes would be less valued in this area than in clothing (Juanjo Martínez, interview).

In the case of Spain, we also interviewed Álvaro Goicoechea, CEO of Fairtrade Ibérica, an organization of the Fairtrade International system that covers both Spain and Portugal. Fairtrade Iberica has been in existence for more than 15 years and, in the last few years, it has experienced very relevant double-digit growth rates, in a market that has "discovered" fair trade later compared to other European countries *«however, also for Spain, 2020 has minimized sales, especially in the Horeca channel. The 4% growth in certified sales was generated during the first months of the pandemic (March and April), due to a hoarding effect of certain products such as sugar, coffee and chocolates»* (Álvaro Goicoechea, interview).

Fairtrade sales in Spain and Portugal (millions of euros)

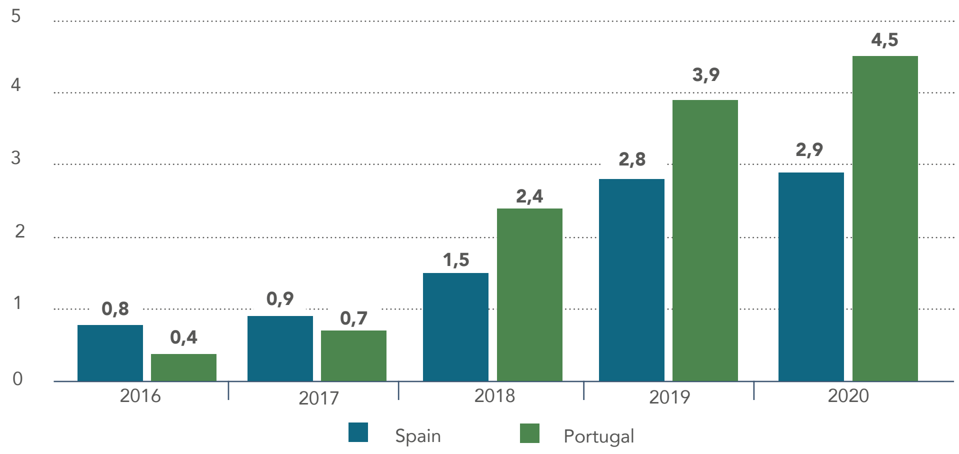


Source: Fairtrade Ibérica (2021:18)

Cocoa has become the number one product by sales (surpassing coffee), especially thanks to the option offered by the "Fairtrade Sourced Ingredient"[13] model, which allows the industry to use a distinct Fairtrade mark indicating that in a given composite product (e.g., cookies with chocolate drops, honey and cashew nuts) the ingredient included in the label (e.g., honey) is a certified product (see page 9).

It is precisely in this growth of cocoa in composite products that Álvaro sees opportunities for others such as walnuts and chestnuts, honey, spices, cereals or quinoa: *«there is a great opportunity to manufacture composite products with different certified ingredients. We, for example, have just closed a deal with a French multinational sports clothing and equipment company that is going to sell in the market its energy bars. It is in these types of products that we see an opportunity for "minor" products, because it is increasingly difficult, for example, for Chilean walnuts to compete with walnuts from California, Turkey or Iran, but they can be included in composite products where the industry really seeks to communicate a sustainability story behind their products and to foster an impact on the producing communities»* (Álvaro Goicoechea, interview).

Average per capita consumption of Fairtrade products in Spain and Portugal



Fuente: Fairtrade Ibérica (2021: 18)

In this sense, according to Álvaro, it is necessary to deepen relations with the industry, so that its suppliers can be fair trade, and thus, it can expand the certified sales options for producers: *«In this type of composite products, manufactured here in Europe, who can really change things are the big European players, such as ALDI or LIDL, if they decide to produce their own brands with Fairtrade raw materials. We need to sit down with them and propose concrete, attractive and impactful projects to sell products in which, for example, the cocoa comes from Ghana, the walnuts come from Chile, the honey from Mexico and the vanilla from Sri Lanka, and clearly demonstrate the impact on the four producer communities involved»* (Álvaro Goicoechea, interview).

This option of presenting to the industry products with multiple certified raw materials, with very important impact stories, would serve to further deepen innovative proposals within the system. On the other hand, according to Álvaro (interview), *«the export of Southern fair trade products can only be viable if it meets the tastes of consumers in the North and if it is economically viable».*

In the case of Spain, moreover, the certification of locally produced products is a very close option, as it is happening in Italy with sauces from tomatoes grown in the south of the country[14], or in France with milk and yogurts made from milk of local cooperatives to which sugar, vanilla, cocoa or other Fairtrade certified raw materials can be added: *«Since the WFTO has clearly opened this option of fair trade in the North, the Fairtrade International system has activated three pilots: One in France with dairy cooperatives, another*

[13] See: https://www.fairtrade.net/about/fairtrade-marks
[14] See: https://shop.altromercato.it/category/EC81402/salse-pomodoro-e-sughi

in Italy with tomatoes producers and a third here in Spain, at the request of the Swiss supermarket COOP, to sell fruit and vegetables. In this third case, the supermarket is validating fair trade certification methodologies with both the Fairtrade International and EcoCert-Fair For Life systems» (Álvaro Goicoechea, interview).

According to Álvaro, there is a clear trend among buyers and distributors in central Europe, especially Germany and Switzerland, to look for products from southern Europe (Spain, Portugal, Italy, Greece, Turkey) that can form part of sustainable value chains, under a fair trade scheme that is now being applied in the North. This could lead to including cooperatives or other European enterprises among the certified fair trade producers: *«in the case of typical Chilean food products, such as fruits and wines, direct local competition could be generated, beyond the competition in terms of conventional products that already exists, unlike in other European countries where it is mandatory to import fruits or wines. In times of crisis, moreover, the protection of local products is even stronger»* (Álvaro Goicoechea, interview).

However, for fruit, there are options to manage, with large importers, the "counter-seasonality" and, therefore, to open market options for certified fruit from the Southern Cone: *«in addition, Spanish orange producers themselves, for example, are more interested in exporting to Germany than in selling in Spain; therefore, there is an opportunity to import fruit»* (Álvaro Goicoechea, interview).

Regarding fresh fruits, in 2020, ProChile's office in Spain published a modular study on organic blueberries. In 2019, Chile was the sixth supplier of them to Spain, reaching a share of 3,12% after Morocco (70,4% of the share in 2019), Peru (7,18%), the Netherlands (4,75%) and at the same level as Argentina, a country that does not enjoy preferential duty like Chile and Peru (ProChile, 2020e).

On the other hand, ProChile also published a study on avocados in Spain, a fruit with growing consumption due to the perception of healthy and beneficial food among consumers. In the last 10 years, Spanish imports have increased 348% in volume and 431% in value. In 2019 alone, imports grew by 21% in amounts and 5% in volumes. In the 2019 harvest, Spain produced around 96,800 tons, exported more than 119,000 and imported 136,000 (ProChile, 2020f).

During the 2018/19 season, the European Union was mainly supplied by Peru (20%), Spain (10%), Chile (8%), South Africa and Israel (5% both). Spanish per capita consumption has gone from 500 grams to 1,2 kg in 10 years and is the fourth European country; the first is France with 1,8 kg per person per year. ProChile's office in Spain recommends betting on the organic avocado niche, since Chile has organic certification equivalence recognized by the EU (ProChile, 2020f).

Álvaro also sees a trade opportunity in seaweed. However, for the Fairtrade International system, algae would be a new product and would need an initial study of the value chain and the actors involved: *«it could be like a "new quinoa" that, for a few years, had a boom pushed by the search for healthy products, but is now stable and even with some local production. Today seaweed has a very small market, but we could anticipate and promote a fair trade product, differentiated, with a story of impact behind it and an added value that goes beyond certification. It is no longer enough just to be fair trade, and we see this clearly with coffee, where the premium, origin, micro-lot or with certain roasting coffee is now sought»* (Álvaro Goicoechea, interview).

Álvaro emphasizes this aspect, i.e. the importance of going beyond certification, adding value in aspects related to the quality of the product and the product's impact story, an element that we also heard in other interviews. Fairtrade is indeed a differential value, but it is no longer the only one

Finally, in the case of Spain, it is worth mentioning the "Madera Justa"[15] initiative of the Copade Foundation (Trade for Development), WFTO member organization in Spain.

[15] See: https://maderajusta.org/

Madera Justa ("fair wood") is the first specific label for the timber industry that guarantees compliance not only with environmental criteria, but also with economic and social criteria, like other fair trade labels.

Source: Madera Justa

It currently has certified organizations in Spain, Guatemala and Ecuador, and seeks to empower peasant and indigenous communities that sustainably manage forests, including those in nature reserves. This is the case, for example, of the "Cooperativa Integral de Comercialización Carmelita R.L.", a local organization in charge of the conservation and management of the Carmelita Community Forest Concession (Petén, Guatemala)[16].

In Spain, the French company Leroy Merlin, specialized in construction, decoration, DIY and gardening, is using certified wood to develop furniture, flooring, fences, and shelters, among other products[17], and more recently in its paper bags. *«Leroy Merlin has made a big bet to be more sustainable and this means a different work with its wood suppliers, including FSC and Madera Justa certifications»*, commented Marina Moreno Sanz,), head of Certifications at COPADE Foundation (interview). This venture will allow Madera Justa certified products to also be sold in France, expanding markets and possibilities of working with new suppliers. In 2021 alone, Leroy Merlin Spain has acquired 4 containers of finished garden products in Guatemala.

Another possible line of fair trade products could come from the production of crafts using certified wood that has not been exported and sold through European retail channels. An interesting challenge for artisans who work with wood and seek to continue adding value to their products.

With the creation of WoodLife Company[18], Copade Foundation has taken another step forward in its goal of expanding its product portfolio and reaching other European countries. Through negotiations with the ADEO Group, an agreement has been closed between the two entities for the import of 17 containers during 2022, which means a 400% increase in sales of FSC and Madera Justa certified wood products.

To end this section on Spain, it is worth mentioning ProChile's market sheet on shelled walnuts. In 2018, Chile was the second largest supplier of this product to Spain (after the United States), with a 62% growth compared to 2017. With regards to imports from the U.S., which pay a general fee of 5.1%, the Association Agreement with Chile allows duty free imports. Spain is one of the largest consumers in the world and domestic demand far exceeds domestic production. Walnuts are the most consumed nut in the Iberian country (21,4% of the total), concentrating 23,3% of spending (5 euros per person per year). During 2018 alone, specialized walnut fairs were held in seven Spanish (ProChile, 2018b). It is surely worthwhile to continue studying this market.

3.7 Finland

During the development of the study we had the opportunity to interview Juha Tanskanen, Key Account Specialist at Fairtrade Finland, one of the national organizations of the Fairtrade International system.

The Fairtrade market in Finland has been growing in the last few years, driven by the increased awareness of sustainability issues in general, by women, the younger population and those with higher incomes. However, in 2020, it also suffered the consequences of the pandemic: *«sales of Fairtrade products in the Horeca channel, for example, dropped significantly, especially coffee which is one of the main Fairtrade products sold in the country»* (Juha Tanskanen, interview).

[16] See: https://turismocooperativacarmelita.com/cooperativa-carmelita/

[17] See: https://www.leroymerlin.es/hazlo-tu-mismo/consejos/ecoopciones-bosque-sostenible

[18] See : http://woodlifecompany.es/

Wine ranks fourth in terms of relative importance of Fairtrade sales; in this category, Chilean wine ranks third, after South African and Argentinean wines: *«we see a growing interest, on the part of consumers, in organic and fair trade wines; they want to know where they come from, in what socio-environmental conditions they are produced and what stories are behind them. In 2021, total sales through the state monopoly system reached 56 million liters. Fairtrade sales were 916 thousand liters. Therefore, there is great potential and we want to continue to push this item, negotiating with importers within the state monopoly system»* (Juha Tanskanen, interview).

In Finland, the state monopoly Alko Oy is the only with the right to retail alcoholic beverages with more than 5,5% alcohol. A common system in the Nordic countries. The monopoly is supervised by the Ministry of Social Affairs and Health, and is involved in determining prices and services: *«sales to the Horeca sector, restaurants and hotels, are liberalized, but it only accounts for approximately 6-7% of wine sales»* (ICEX, 2021). In this system, to export wines to Finland it is recommended to work through recognized agents. According to customs data, in 2020 the country imported 80 million liters, with Chile, Italy and Spain being the first three countries in terms of volumes; this ranking changes in terms of values, with Italy being the first, followed by France, Chile and Spain. Red wines accounted for 42% of the market, whites for 41%, sparkling wines for 11% and rose wine 3.3%. (ICEX, 2021).

Euro value of Fairtrade certified sales in Finland (2018-2021)

	2018	2019	2020	2021
Total Sales	263.140.901	302.946.361	227.519.457	270.452.035
Retail Sales	126.510.361	152.535.906	157.733.140	170.950.862
Horeca channel sales	136.630.540	150.410.455	69.786.318	99.501.173
Variation compared to the previous year	12,7%	15,1%	-24,9%	18,9%
Per capita consumption	48	55	41	49
Aggregate sales of Fairtrade wines	7.420.713	7.965.654	10.669.806	11.165.233
Percentage of Fairtrade wines	2,82%	2,63%	4,69%	4,13%
Aggregate sales of "minor" products	9.528.015	10.041.764	12.972.831	16.055.988
Minor products as a percentage of sales	3,62%	3,31%	5,70%	5,94%
Percentage of wines over total sales of minor products	77,88%	79,33%	82,25%	69,54%

Note (*): In this case the minor products are: Wine, Honey, Walnuts, Spices, Oils and fresh fruits (excluding bananas).

Beyond wine, Fairtrade Finland considers that there could be a potential interest in spirits and distillates, and also in avocados, an item with many challenges for the most informed European consumers: *««it is a very expensive food in Finland, therefore, consumed mainly by the most affluent strata who might be willing to pay more if it were certified»* (Juha Tanskanen, interview).

In relation to the sales value of products considered "minor", their percentage in relation to total sales has grown from 3,62% in 2018 to 5,94% in 2021, showing that search for diversification that Juha Tanskanen explained us during the interview. Within these products, wine has grown from 2,82% to 4,13% between 2018 and 2021, representing 70% of minor products in 2021, compared to 82% in 2020.

On the other hand, as for honey, Juha tells us that most of the honey consumed in Finland is domestic, but crystallized, as opposed to the one imported from Latin America. The Fairtrade honey market is stable, with no concrete growth projections. In relation to walnuts, on the other hand, *««there seems to be a growing interest, especially because of the growth in sales of many products processed from these raw materials, such as the typical walnut and cereal bars. There is a growing interest in cashew nuts»* (Juha Tanskanen, interview). Finally, Fairtrade berries have had little success and there is currently no investment in finding buyers for this fruit; regarding quinoa, this has few buyers in Finland and it is considered a very minor product.

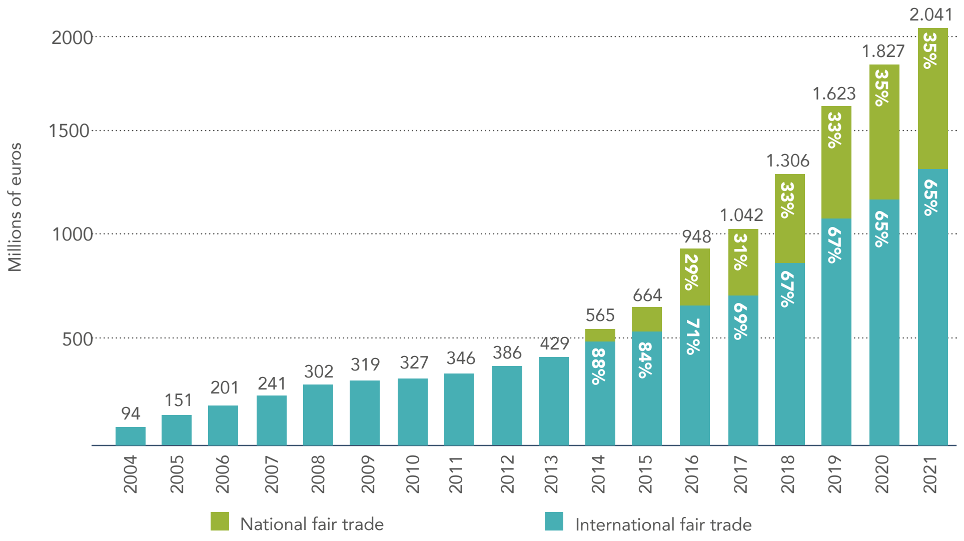
3.8 France

The French fair trade platform "Commerce Équitable France" regularly publishes reports on sales of fair trade products in the country.

Figures for 2021 indicate sales of 2 billion euros and show a clear trend of overall increase (11% more compared to 2020) and also an increase in local fair trade products, which already represent 35% of all fair trade sales, with 100 groups, more than 6,000 farms and more than 12,000 producers and farm workers CEF, 2022), recognized through several certification schemes valid at the national level (see page 102)[19]

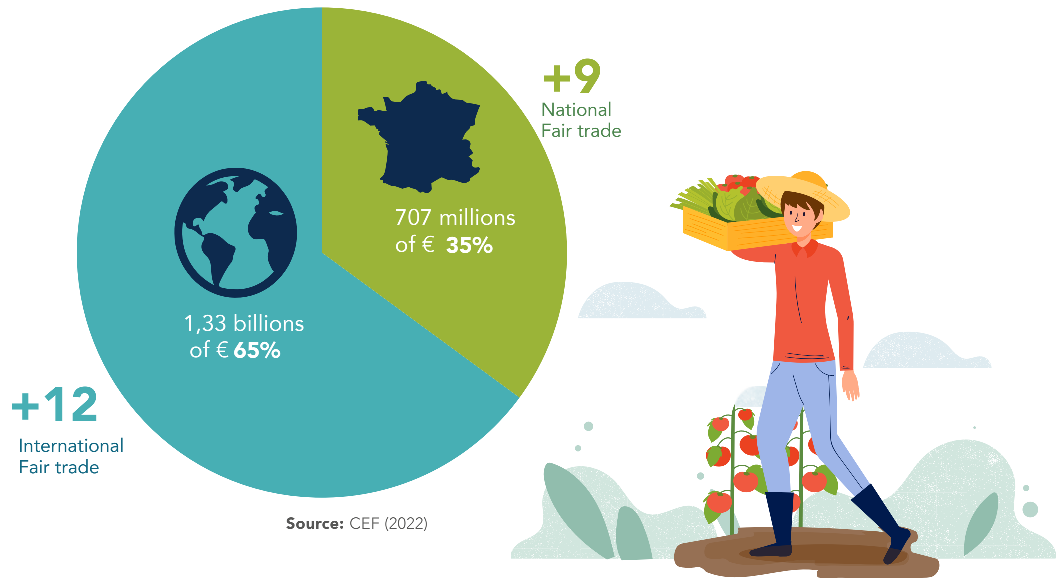
54% of certified products from countries of the global South are sold in retail (in 2018 it was 42%) and 21% in specialized stores for fair trade and organic products. This second sales channel, on the other hand, is the most important (38%) in relation to sales of local products.

Sales of fair trade products in France (2004-2021)



Source: CEF (2022)

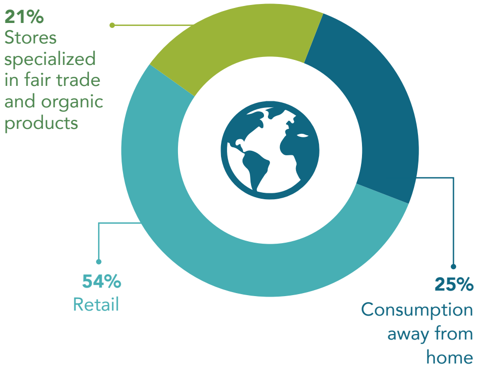
Sales of local and international fair trade products (2021)



Source: CEF (2022)

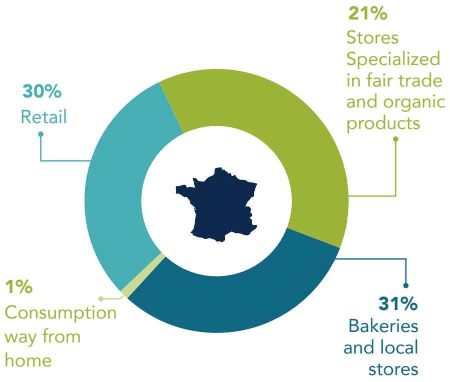
[19]For examples of local fair trade products in France, see the following websit: https://www.ethiquable.coop/gamme/paysans-dici-equitable-bio-france

International Fair Trade products by sales channel (2021)



Source: CEF (2022)

National Faire Trade products by cannel (2021)



Source: CEF (2022)

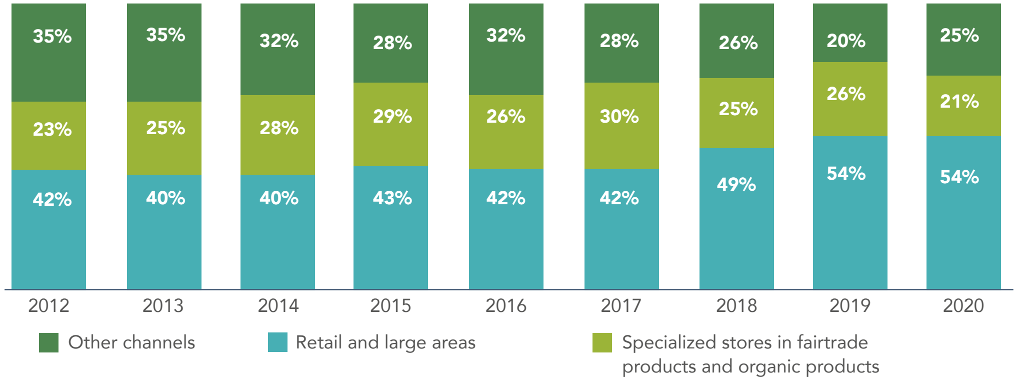
Data by type of distribution channel show an increase in conventional large-scale distribution also for local products, from 14% in 2018 to 30% in 2021 and, overall, from 42% in 2021 to 54% in 2021.
In terms of products, it is worth noting that, in 2021, 95% of fair trade products sold in France were food: with 10.228 products, up 36% compared to 7.523 in 2020, 11% more local products and 42% more international fair trade products. The remaining 5% is divided between: cosmetics (50%), flowers (28%), textiles (17%), handicrafts (2%), essential oils (1%) and others (2%). Of these 10.228 references, more than 88% are organic products, 66% of international products and 57% of local products (CEF, 2022).

Among the products of the international value chain: coffee (37,2%), chocolates (20,7%), bananas (16,5%), other fresh fruits[20] and fruit juices (7,3%), sugar, desserts, ice cream and sweet foods (11%), tea and infusions (4,2%), and salted foods and others (2,7%). Among the local fair trade products: bakery or pastry (49,6%), fresh fruits and vegetables (17,9%), dairy (14,5%), meats and eggs (7,3%), salted foods, frozen foods and others (6,4%), and sweet foods and beverages (4%) (CEF, 2022).

Thanks to companies such as Ethiquable, Biocoop or Saldac, among others, France is the most important country in terms of sales of Small Producers' Symbol (SPP) certified products. The Saldac company, for example, is importing a wide variety of products and has given a strong impetus to the entry of several small companies into this system, thus promoting the involvement of more French SMEs in the national fair trade niche (Jerónimo Pruijn, interview).

For the French case of the SPP, we had the opportunity to interview Nicolas Eberhart, liaison for Latin America of the Société Cooperative et Participative Ethiquable[21]: *«In recent years Ethiquable has grown a lot, reaching sales of 80 million euros. Especially thanks to the increase in the consumption of organic products at*

Sales evolution by sales channel (2012-2021)



Source: CEF (2022)

[20] ProChile (2014) showed how Chile is one of the main suppliers of raspberries (fourth place with 7.92% market share) and blackberries (second place with 28.65%) to France. While it has no relevant participation in strawberries, currants or blueberries. High prices and non-organic products were the main problems.

national level, between 15 and 20% per year. All our products are organic and are sold both in supermarkets and in organic and fair trade stores; in the latter through the brands "Terra Etica" and "Café Michel". With the size that Ethiquable has reached, we are going to become a cooperative group» (Nicolás Eberhart, interview).

The most important item for Ethiquable is chocolate (50% of total sales), product for which the cooperative is really recognized in the national market: *«Then we have tea (10-15%), coffee (10%), local products from France (7-8%), branded "Paysans d'ici", which are constantly growing in the market; sugar (4%), peanut paste (3%) and finally other products such as spices (1-2%), cereals (1-2%), fruit juices (1-2%), nuts (1-2%), oils (1%), among others»* (Nicolás Eberhart, interview). Short circuits of local products in France are growing strongly, including products that were not previously produced in the country, such as quinoa, for example, which has been widely advertised. In fact, says Nicolas, *«imported quinoa sales have dropped by 30% in recent year»* (Nicolás Eberhart, interview).

In relation to potential new products, according to Nicolas, at the moment *«the line of essential oils is being developed a lot, both locally produced and from the South. This is a niche that will grow in the coming years, and I think it is very interesting for small producers because it is easy and low-cost to process. Another product of interest is organic hazelnuts, especially for our chocolates, because domestic production is not enough. And there is also interest in pecan nuts. On the other hand, our organic and Fairtrade peanuts come mainly from China and Latin America; but it is a complicated crop because of the aflatoxin issue. With honey we tried, but we could not continue because of the preference for local product; however, in Europe there is a lack of organic honey so it is a market to explore further. For fair trade wines, finally, there are also no options in the French market, where the national product is highly valued»* (Nicolás Eberhart, interview).

Also according to ProChile (2020) sectoral study on organic wine, there is a clear trend in the consumption of organic products in France. According to Agence Bio, in 2018, 9 of 10 French people reported consuming organic products and nearly 75% of these did so regularly (more than once a month). In 2019, the value of purchases of food products from organic farming increased by 1,4 billion euros a growth of 13.5% compared to 2018 (ProChile, 2020a).

Among organic food purchases in France, wine represented in 2019 the largest item. The country is the largest consumer of wines (organic and conventional) per capita in the world, and the second largest consumer of organic wines after Germany. (ProChile, 2020).

Finally, according to ProChile (2020a), another growing trend is the consumption of healthy foods, which reduce the risk of disease and improve physical and intellectual performance. In this area, the ProChile office in France recommended adapting exports from Chile to this new trend, seeking to differentiate the supply of plant varieties and other native products that may be attractive in a highly competitive market.
With the rise of the healthy trend, according to ProChile (2020g), blueberry has become an attractive fruit, especially for its sweet taste and easy preparation, being used as an ingredient in various healthy preparations and snacks. In 2019, the main blueberry suppliers for France were Spain (44,73%), Morocco (22,34%), the Netherlands (14,93%) and Germany (6,06%). However, blueberry is a product with little visibility on the French market and it is usually consumed in a mix of other berries; therefore, its origin loses relative importance. ProChile's recommendation for entering the French market with these fruits is precisely to be able to offer a variety of berries, not only blueberries.

[21] https://www.ethiquable.coop

3.9 Italy

In 2016, ProChile published the study "Market Trends: Fair Trade in Italy" in which, already at that time, it was evident how fair trade was growing in recent years: several supermarkets are selling more and more certified products and some multinationals, such as Ferrero, are deepening their commitment to the movement, looking for more volumes of certified raw materials. According to the ProChile study (2016a), the Italian market has good growth potential, especially in fresh fruit (off-season and organic), dried fruit (especially walnuts[22] and raisins) and high-quality honey, which have potential in the country. Fruit juices are also products that are widely consumed in fair trade circuits, and endemic and healthy products such as maqui juice could arrive from Chile. With wines, on the contrary, there seems to be a "psychological threshold" that does not exceed 5 euros for bottles of conventional wine; the commercial bet should therefore focus on the niche of organic wines (ProChile, 2016a).

Always from 2016 was ProChile's (2016b) market study on the potential of fresh cherries in Italy. At that time, the commercial office in Milan underlined that Chilean cherries were considered of good taste and good quality, which had allowed sales superior to Argentine cherries, four times cheaper. The good counter-season traceability, moreover, was a fundamental element for these imports. The study concluded by identifying Italy as a potential market for fresh cherries from organic agriculture.

For the Italian case we had the opportunity to interview the Director of Fairtrade Italy (Paolo Pastore) and the representatives of two fair trade cooperatives: Alessandro Cantu, from the Equo Mercato[23], Cooperative, and Valeria Bigliazzi, from the Chico Mendes Cooperative[24].

According to Paolo Pastore (interview), despite the effects of the pandemic, the market development for Fairtrade certified products is still present and consumers are increasingly looking for products with a recognizable impact story: *«in Italy, volumes of Fairtrade certified products have grown by 15-20% annually, in the last 5 years. In 2021, we reached close to 500 million euros»*. An important trend that is being seen in Italy, and also in other countries, is the drop in the average age of consumers of Fairtrade products: *«in fact, several of the companies we work with are concentrating the use of certified raw materials in products that are consumed especially by young people. For example, granola for breakfast or energy bars. The Lidl supermarket alone has adopted only Fairtrade cocoa for all its energy bars, reaching sales of almost 5 million units by 2021»* (Paolo Pastore, interview).

Although, for the moment, they are mainly including certified cocoa, sugar and honey, these products could eventually include other certified ingredients, such as walnuts, quinoa, cereals, dried berries and raisins, just to mention some of those also produced in Chile. Among these products, quinoa has a growing market, especially if organic. Paolo Pastore

[22] Already in 2012, ProChile highlighted how domestic nut production in Italy is lower than domestic demand, thus recognizing a potential for Chilean walnuts and almonds, despite uncompetitive prices and the high valuation of "Made in Italy".

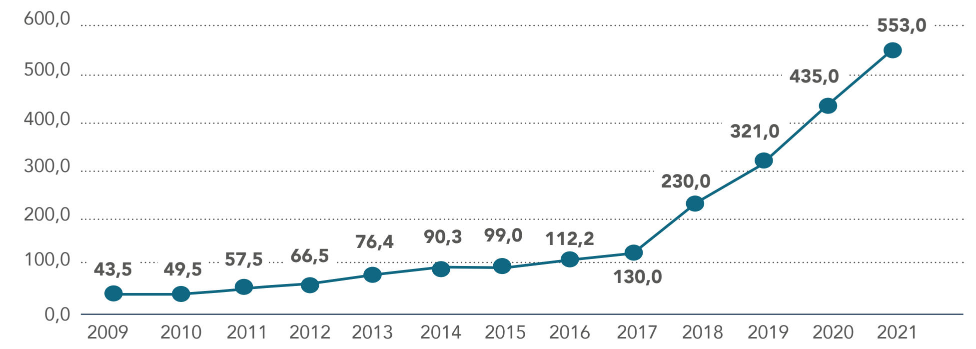
[23] https://www.equomercato.it
[24] https://www.chicomendes.it

mentions the example of the Italian company Alce Nero, which is marketing organic, but not fair trade, certified quinoa[25]; in general, importers of organic quinoa in Italy and Europe are looking for this product, so, according to him, it has potential.

On European hazelnuts, according to Paolo Pastore, companies first tend to use, in production, hazelnuts produced in the same country or continent. This is a very clear tendency, in all European countries and in many different production areas, of shortening the supply chains: *«the different global crises we are experiencing have taught us that it is better to have good and stable local suppliers than cheap but unsafe international suppliers»* (Paolo Pastore, interview).

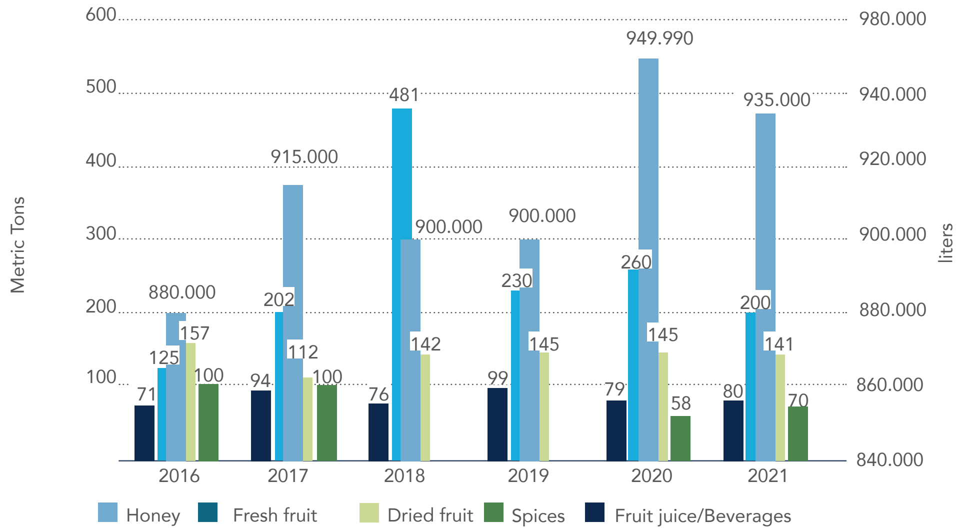
Paolo Pastore tells us that, in Europe, local production fails to meet consumer demand, so it is a market that remains open to imports: *«however, there is a very clear issue regarding honey quality. In Italy, the quality of fair trade honey still does not fully meet the requirements of the companies and we receive feedback that, on the contrary, the quality is worsening. In this sense, we still have problems with the supply of quality honey and an important challenge for the work with beekeepers' organizations»* (Paolo Pastore, interview).

Sales of Fairtrade certified products in the Italian retail world (2009-2021, in millions of euros)



Source: Fairtrade Italy

Fairtrade certified sales, in Italy, of some products of interest to Chile (2016-2021)



Note: values are in metric tons, except for fruit juices, which are expressed in liters. The category "fresh fruit" does not include bananas and pineapples.
Source: Fairtrade Italy

[25] See: https://www.alcenero.com/products/quinoa-real-biologica-ce462

For the Italian market, more than for other European countries, product quality remains the most important element: *«If 15 or 20 years ago international solidarity with the disadvantaged producer was the main factor in the purchase of fair trade products, today maintaining impeccable quality standards is fundamental for both companies and consumers. It is no longer enough to enter the fair trade circuits to find a market niche»* (Paolo Pastore, interview). In the case of honey, according to him, quality means organic product and zero pollutant residues.

The food market in Italy is very demanding. For the last ten years, the service company GS1 Italy Servizi has been publishing the "Osservatorio Immagino" report, in collaboration with the data analysis company Nielsen. The tenth edition, in 2021, was dedicated to the different labels currently used on products consumed by Italians; 1955 industrial companies and 52 retailers adhere to the service of this observatory and the results are very interesting. In general, in addition to the importance of quality, is evidenced as *«is evidenced as «today consumers are looking for benchmarks [...]. To "inform well" is today one of the constituent missions of companies»* (GS1 Italy, 2021). Transparency in communication and the need to convey a story that can be trusted are therefore fundamental. The study shows the sales trend of many labeled products, between June 2020 and June 2021, among which it is worth showing some of the categories collected in the study.

With regards to Fairtrade products, the survey on consumer behavior, developed in 2021, reveals that the main barrier to the purchase of Fairtrade certified products is still the price (40%); however, with six percentage points less compared to 2018[26]. In second place, the preference to support Italian producers remains a constraint (21%), up two points compared to the previous survey. The different characteristics that mark the lack of trust towards fair trade relations went down by a total of 13 percentage points (NielsenIQ, 2021).

Sales trends, in Italy, of different types of certified products (between June 2020 and June 2021)

TYPES OF LABELED PRODUCTS	TENDENCIA
Products "free of…"	+0,6%
Products "high in…"	+3,2%
Sustainable products" *	
FSC	+4,4%
Sustainable Cleaning	-20,0%
Friend of the sea	-0,1%
UTZ	+6,1%
Fairtrade	+4,2%
Ecolabel	+2,1%
Cruelty free	-4,1%
Ecocert	+9,9%
PEFC	+10,5%
Rainforest Alliance	+13,8%
Productos con "beneficial ingredients"	+2,6%
Almonds	+7,3%
Blueberries	+1,8%
Avocado	+34,6%
Quinoa	-3,5%
Pumpkin seeds	+6,3%
Sesame seeds	+19,2%
Cinnamon	+19,2%
Handcrafted products	+10,4%
Biodegradable products	+0,2%
Personal care products	+6,7%
Colorant free	+31,9%
Sulfate free	+8,4%
No preservatives	+12,5%

Source: GS1 (2021).

[26] 49% of respondents (-2% compared to 2018) would be willing to pay 10-20% more for Fairtrade certified products; this value reaches only 37% ethical products in general (NielsenIQ, 2021).

Main fair trade products purchased by people surveyed

MAIN PRODUCTS BOUGHT	% OF CONSUMERS
Cocoa and chocolates	51
Coffee	39
Tea and infusions	39
Sugar	33
Dried fruit	30
Cookies and sweets	28
Jams	26
Honey	23
Cereals	21
Fresh fruit	18
Rice	18
Spices	16
Tomato sauce	14
Fruit juice and beverages	12

Source: NielsenIQ (2021).

In relation to fresh fruit (excluding bananas and pineapples), Paolo Pastore (interview) considers that there are no major opportunities for Fairtrade certified fruit in Italy; however, he recognizes that, in the winter season, fruit from other countries, including Argentina, always arrives to Italy; therefore, there is the possibility of new trade relations with Chile. being Italy one of the main producing countries, with good local organic and social and cooperative economy wines.

Valeria Bigliazzi (interview), from the Italian cooperative Chico Mendes, tells us that, from the Chilean fair trade company Mi Fruta[27], she imports rown raisins ecause, unlike blond raisins, they are not treated with sulfites, prohibited by Fairtrade certification. Chico Mendes distributes both in supermarkets and fair trade stores. The main problem to increase imports from Chile is that the cooperative, so far, has not been able to establish links with the confectionery industry in Italy; many typical sweets, such as "pandolce" or "panettone", contain raisins; however, building a strategic relationship with this sector, in terms of fair trade, has not yet been possible.

In addition, the cooperative imports walnuts of different sizes, with and without shell; in this area, Valeria told us, *«the competition of conventional walnuts from California, since few years, is too strong, with final sale prices that can reach up to half of our fair trade prices. It is necessary to invest much more in the dissemination of the impacts and advantages of fair trade in the development of the territory and the producing communities. Not only with consumers, but also with importers, distributors and supermarkets»* (Valeria Bigliazzi, interview).

Exports of raisins from "Mi Fruta" (Chile) to Chico Mendes Cooperative (Italy)

YEAR	IMPORTED KG	VALUE IN EUROS	FAIRTRADE PRICE (EUROS)
2017	4.000	8.000	878
2018	4.000	8.463	910
2019	5.000	10.980	1.181
2020	3.500	7.447	769
2021	3.500	7.240	790
TOTAL	20.000	€ 42.130,49	€ 4.527,20

Source: Chico Mendes Cooperative

In this sense, we find again an aspect too relevant for the development of fair trade: to work deeply from the demand side and not only from the supply side, otherwise the certified producers end up frustrated if they do not find fair trade market options With regards to walnuts, there is also a very relevant problem related to water scarcity in the areas of the Coquimbo region, where the walnuts by the Agronuez Choapa Cooperative[28], imported by Chico Mendes, are produced: *«without water for irrigation, not all their fruits reach a sufficient diameter to respond to the commercial needs of the market, It is indeed a problematic situation, but in a market context where consumption of quality walnuts is stable or growing, and fair trade sales continue to grow»* (Valeria Bigliazzi, interview).

In addition to raisins and walnuts, the Chico Mendes cooperative began to investigate the possibility of importing

[27] https://mifruta.cl/es
[28] https://agronuezchoapa.cl

dried fruits like plums and apricots; however, so far, it has never materialized this import: *«international competition with cheaper products is very strong. In addition, producers should be able to receive support to invest in the latest dehydration techniques that keep the product soft. These are technologies that, for example, are very used in countries like Turkey, from where most of the dried fruit arrives»* (Valeria Bigliazzi, interview).

Chico Mendes is a small reality, compared to other fair trade importers; however, it has maintained a direct and very interesting connection with Chile. In addition to establishing relationships with the confectionery industry in Italy, the cooperative has identified another opportunity: to establish contracts with the companies that manage the supply of automatic snack vending machines, which are found in many public and private spaces in Italian cities: *«however, in this area we also see that, for the moment, distributors prefer to source their supplies from large companies and as a cooperative we have not yet been able to build the necessary alliances to participate in this sales channel, which has a lot of potential»* (Valeria Bigliazzi, interview).

In the case of non-food products, we learned about the experience of the Equo Mercato cooperative, one of the first in Italy to make a clearer commitment to fair trade cosmetic products, starting with shea butter from Ghana. Today, 15% of the cooperative's annual sales come from this type of product: *«in Latin America, we have had the closest relationship for twenty years with Mexico, from which we import four types of soaps (solid shampoos), four creams and three types of hennas (natural dyes), all as finished artisanal products; from Mexico we also import honey»* (Alessandro Cantù, interview).

For cosmetic products, interesting prospects could open up for algae. It is an option that Equo Mercato has not yet explored; however, there is a potential interest if a direct relationship can be built and a positive impact can be made on algae farming communities in Chile.

As for crafts, Equo Mercato is specializing in handbags, leather accessories and other textile products from India, as well as "wedding souvenirs" from Peru, Bolivia, Kenya and Bangladesh, from which basketry and recycled products are also arriving: *«all basketry and textiles for everyday home use continue to be products with interesting and steady sales. And we are always open to finding new collaborations with other producers for new products»* (Alessandro Cantù, interview).

3.10 United Kingdom

We had the opportunity to talk to Anna Barker, Head of Responsible Business at the Fairtrade Foundation, the national organization of the Fairtrade International system in the United Kingdom, one of the most important organizations within this international fair trade network.

Anna told us that, although the focus of the Fairtrade system is still coffee, cocoa, tea, bananas, flowers and sugar, in the UK we are also beginning to see a trend towards diversification of products; including, for example: honey, wine, avocados, fresh fruit and walnuts, typical of the Latin American Southern Cone and which, not being cheap products, offer good margins for the business: *«This study comes at an interesting time for the UK, precisely because of this trend of change. However, because of Chile's general development situation, responsible buyers are looking for options in other countries first»* (Anna Barker, interview).

With regards to wine, for example, despite the fact that British buyers consider Chilean wine to be of high quality, the Fairtrade Foundation notes a growing interest in Fairtrade wines from South Africa: *«however, we note that buyers do not see a substantial difference between Fairtrade certified wines and other certified wines. In this sense, it is a constant struggle to find and tell unique impact stories to appeal to the buyer and consumers»* (Anna Barker, interview). In this sense, according to Anna Barker (interview), most Fairtrade organizations are not well familiar with Chile and what makes it really unique: *«we don't have an attractive story about Chile, a story that really makes it interesting in the.*

eyes of the buyers. For example, the Fairtrade wine market can still grow, but only if we know how to explain why it should grow. I personally would be very interested in doing so, we need to be more proactive in this regard».

According to the annual report of the Fairtrade Foundation (2021: 13), *during 2020,* sales of certified wine have remained relatively stable, despite import difficulties in times of pandemic, which resulted in a 1% decrease. South African wines account for 75% of these sales. Co-op is the world's largest supermarket by Fairtrade wine sales (14,1 million liters in 2020) and continues to offer new Fairtrade wines. Sainsbury's and Marks & Spencer have also started to offer other lines of certified wine[29].

Today, according to Anna, and this is important to consider *«perhaps companies are less interested in Fairtrade certification in particular, and more interested in guaranteeing decent incomes to the productive actors at the base of global value chains. We feel a genuine interest on the part of the buyers to deepen the impact of their current trading relationships, beyond buying Fairtrade certified products»* (Anna Barker, interview).

Another market trend that Anna highlights, for the UK, is veganism and this leads to the consideration of products such as fresh fruit, nuts and avocados as increasingly relevant in the market and, in the near future, also for the fair trade circuits: *«this market is absolutely booming; very significant growth and a growing interest in the sustainability of these global. chains. In addition, companies are interested in being part of a success story and this may also allow new products to be included in the Fairtrade system; I would say particularly the different types of walnuts»* (Anna Barker, interview)[30]. However, today, sales trends in categories such as walnuts, quinoa, seeds and other grains, after being positive between 2019 and 2020, have suffered declines between 2020 and 2021.

UK sales trends of Fairtrade products of interest to Chile (2019-2021)

PRODUCT	BETWEEN 2019 - 2020	BETWEEN 2020 - 2021
Wine	-2%	+7%
Honey	-4%	-24%
Walnuts	+16%	-19%
Quinoa	+14%	-61%
Grains, seeds y rice	+18%	-59%
Fresh vegetables (*)	+77%	427%
Other fresh fruit except bananas	n/a	Fairtrade grapes from South Africa did not enter the country until 2021.

Note: sales driven by green beans and tomatoes from Africa, at The Co-op supermarkets.
Source: data provided by the Fairtrade Foundation.

In addition Anna Barker (interview), continues *«today the whole world is looking for fair and sustainable avocados, and the media is literally obsessed with the subject. But logistically we are fighting with global intermediaries, with importers, and we have not yet managed to convince them to join fair trade and diversify the supply of their providers. However, some countries in Europe are already producing avocados; therefore, it is more complicated to convince today's consumers to buy an imported product about which, in addition, receives a lot of criticism in terms of water use».* This point led us to touch on the issue of domestic fair trade in the United Kingdom. According to Anna, this trend is not yet noticeable in the country, but it is noticeable in relation to other European countries, for example, with Italy and its production of tomatoes, which are in high demand by British buyers. In this area, both the situation of migrant workers and the relationship with the carbon footprint of the products consumed represent relevant issues for British society. Finally, regarding organic products, in 2020,

[29] «M&S introduced 9 new own lines of Fairtrade wines and saw volumes of Fairtrade wines increase by 20% over 2019. The sales generated over £50,000 Fairtrade premium for producers»;
See: https://stories.fairtrade.org.uk/take-5-from-2020-highlights-from-fairtrade-foundation-s-annual-report/index.html

[30] In 2014, ProChile's London office highlighted the importance of shelled hazelnuts (as opposed to in-shell Chilean exports) in the production of healthy and organic snacks; however, with a tendency towards consumption of less expensive brands.

ProChile published a cross-sectional study on organic food where it indicated that, after almost a decade of growth, the market for these products had reached a peak of £2,5 billion after a 4,5% increase in 2019. That year, the UK was the ninth largest organic market in the world, falling two positions from the previous (ProChile, 2020b).

The highest consumption of organic products is in vegetables and fruits, a sector in which Chile shows production capacity and good quality. In addition, the star organic product, in UK supermarkets, has been wine, which increased its sales by almost 50% during 2019. This trend has had great media coverage, which has helped consumers to learn even more of the wide range on offer in the market today (ProChile, 2020b).

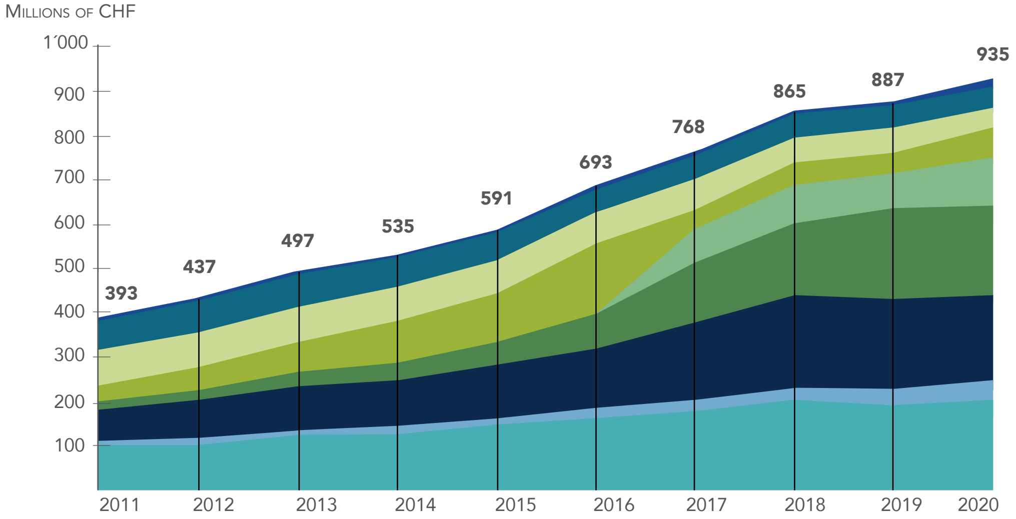
3.11 Switzerland

Switzerland is another very important European country in terms of the development of the fair trade market. This type of sales continues to grow, for several years now, at very significant rates.

According to data from the "Swiss Fair Trade" platform, the total figure has increased by 5,5% between 2019 and 2020, reaching 935 millions Swiss francs (CHF) in 2020 and a per capita consumption of around 108 CHF (101 euros), exchange value as of June 30, 2020)[31].

Some relevant data relate to fresh fruit, which accounts for 21,9% of the Swiss fair trade market (a large part of this percentage is represented by bananas), dried fruit and walnuts (5%) and other foods (7.2%), including honey, olive oil and cereals. On the other hand, non-food

Evolution of fair trade sales in Switzerland (2011-2020).

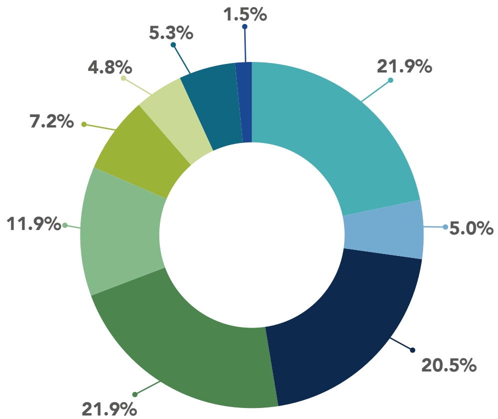


Source: Swiss Fair Trade Beverages: fruit juices, coffee and tea, dairy products: yogurts and ice cream. Other food: sugar, honey, rice / cereals, olive oil, compound products. Other non-food: crafts, cosmetics, others.

[31] See: https://www.swissfairtrade.ch/fr/fair-trade/chiffres-daffaires-en-suisse/

products (crafts, cosmetics, among other non-textile products) only represent 1.5% of total sales.

Sales by fair trade products groups in Switzerland (2020)



Source: Swiss Fair Trade
(*)Beverages: fruit juices, coffee and tea.
Dairy products: yogurts and ice cream.
Other food: sugar, honey, rice / cereals, olive oil, compound products.
Other non-food: crafts, cosmetics, others.

The annual report Fairtrade Max Havelaar Switzerland (2022), on the other hand, shows that 2021 has set a record for sales of Fairtrade certified products in Switzerland, with an increase of 7,5% compared to 2020, reaching a total of CHF 925 million and from CHF 100 million to CHF 107 per capita, a figure that almost reaches the mentioned total per capita purchases of fair trade products (Fairtrade certified and others) in 2020. Fairtrade honey, a relevant product for Chile, has reached 11% of the national market, fruit juices 35%. On the other hand, 67% of the Fairtrade nuts and dried fruits, sold in Switzerland, are organic. (Fairtrade Max Havelaar Switzerland, 2022:12).

From Max Havelaar Switzerland we were able to interview Fabian Waldmeier, responsible for International Cooperation: *«what we are observing in Switzerland is that the current growth is very much linked to the FSI model (Fairtrade Sourced Ingredient, white label), especially for cocoa, and not so much to the traditional "All that can be, must be" (black label). The big players in the Fairtrade market in the country are the supermarkets, with their own brands, and these have virtually finished the options for sourcing products with 100% Fairtrade ingredients»* (interview).

As we have seen for other Fairtrade initiatives in Europe, this model could open up opportunities for the inclusion of certain "minor" products in industry circuits: *«a mix of dried fruit and nuts can be interesting for a wide variety of processed products. There may be opportunities there»* (Fabian Waldmeier, interview).

Another relatively important certified product in Switzerland is table grapes (counter-season) which, after bananas and pineapples, remains at a high level of sales. Avocados also seem to have good prospects for the future. In addition to the data published in the annual report, Fabian tells us that grapes have reached almost 2,000 tons in 2021, with a value of CHF 11 million. In recent years, it has grown by 10-15%, but now mainly comes from South Africa, India and Egypt. Chilean grapes can have potential if seasonality is managed correctly.

Honey has reached almost 400 tons in 2021, with stable growth over the last few years between 1 and 2% per year. The Fairtrade honey market in Switzerland remains stable (with honeys coming from Mexico, Nicaragua, Guatemala, Uruguay, Argentina and Chile) and with few growth options, especially due to the presence of

Sale 2021 and variation 2020-2021 of Fairtrade product categories, relevant to Chile, in the Swiss market.

PRODUCT	SALES 2021 (CHF)	VARIATION 2020-2021
Alcoholic beverages	804.182	18,2%
Nuts/walnuts	45.220.467	11,7%
Honey	4.240.714	1,4%
Fruit juice	58.511.275	-11,5%
Quinoa	5.020.523	-17,9%
Spices	5.451.282	-18,0%

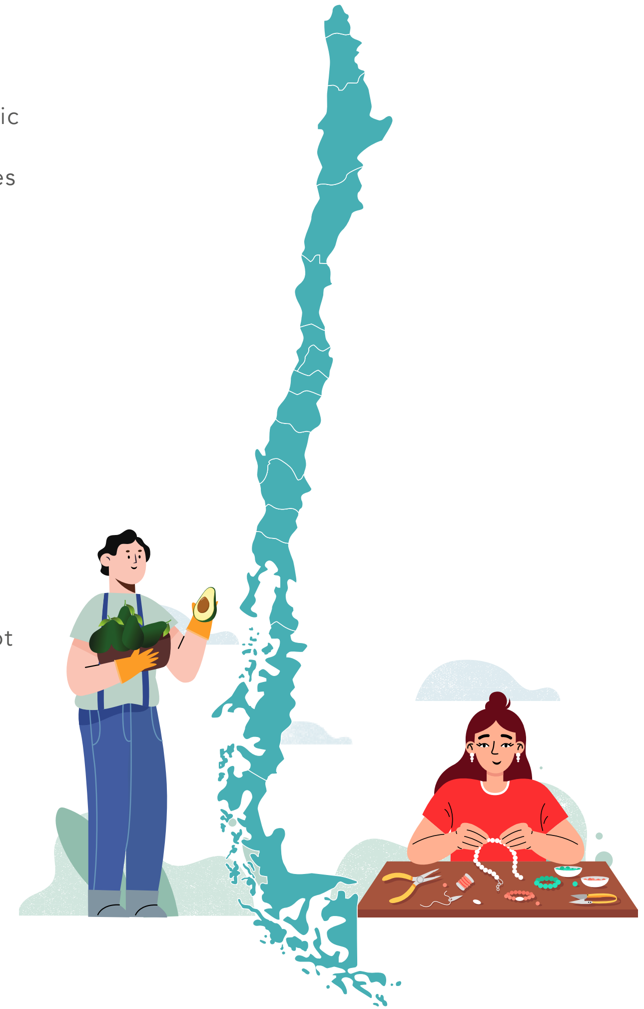
Source: Fairtrade Max Havelaar Switzerland (2022: 12) local honey. On the other hand, despite growth between 2020 and 2021, Fabian considers that there are no prospects for rapid growth of Fairtrade wine sales in Switzerland for the time being. In 2021, 121.000 liters of certified wine were sold in the country.

As for walnuts, in recent years, growth in sales figures has been as high as 20% to 40%, driven mainly by cashews. However, options for other types of nuts are also on the horizon. In 2021, walnuts alone (among dried fruits) reached CHF 27,6 million in sales, for a total of 1.375 tons of product. In recent years, quinoa sales have fluctuated a lot, but maintaining a fairly flat trend. The Swiss market is practically saturated with Bolivian quinoa and no growth options are in sight. In 2021, 400 tons of certified product were imported, reaching 4,9 million Swiss francs in sales. Finally, for products such as raisins or berries, sales are minimal and there is no clear traceability. However, it should be noted that Loncofrut's Chilean Fairtrade raspberries reach the Swiss market[32].

3.12 Results of the survey to ProChile's offices in Europe

Thanks to the collaboration with ProChile, we were able to develop a brief survey that was answered by their offices in Europe, with a special focus on the following countries: Germany, Denmark, Spain, Finland, Hungary, Italy, Lithuania, Norway, the Netherlands, Poland, Czech Republic, United Kingdom, Romania and Sweden. From the results of the survey (see annex 5), some interesting trends for Chilean products are noted. Today there is a potential interest from companies to buy conventional, fair trade and organic products in the following areas:

- in fisheries, if the products are certified with a sustainability seal (Hungary, Lithuania, Netherlands, Poland, Czech Rep. and Romania), with a specific interest in Italy for fresh and frozen swordfish, and in Lithuania for seafood;
- among agricultural products, especially for: fresh and dried fruit, nuts, berries and wine; with a specific interest for lemons (Spain, Italy, the Netherlands and Poland); blueberries (Italy and the Netherlands); other citrus fruits (the Netherlands); chestnuts and avocados (Italy); walnuts (Italy and the United Kingdom);
- crafts of indigenous people (Denmark, Finland, Norway and Sweden); jewelry and other specific crafts such as household products, decorations, unique, circular and responsible products (Netherlands); jewelry with surgical steel and not nickel (Germany); wool pieces with special treatment so that they do not itch (Germany).



[32] In fact, with regards to raspberries, it is worth mentioning what Ingrid Allende told us (interview): «we are still looking for another raspberry producing organization in Chile, which could potentially be certified, because there is an unsatisfied Swiss demand, about 50 tons. However, after having visited several organizations, none was available or able to be certified. There is a frequent mismatch between supply and demand in the market for these products».

4. Fair trade in Chile

4.1 Nationwide Groups

In 2012, thanks to a small group of companies, certified agricultural organizations, and fair trade advocates, the Fair Trade Association of Chile[33], was established. It sought to join forces that would position fair trade principles and practices in the county and contribute to the development of member organizations by creating new sales channels. It also aimed to advocate at public institutions, private companies, and in civil society in general.

Despite having started with just agricultural companies and organizations, in the Association's second stage, WFTO craft member organizations were invited and they now play an important role in the Association.

In the first few years after being established, the Association's work focused on:

1. Creating alliances and partnerships with all interested parties to promote the development of fair trade in Chile. Until now, the principal alliances have been established with: CORFO (the national Production Development Corporation), ProChile, Marca Chile, the Ministry of Women and Gender Equality, SERCOTEC (the national Technical Assistance Service), and "Alto Las Condes", shopping mall of the Cencosud Centers company[34];

2. Promoting fair trade, with the population, in general, and, with universities, in particular, as well as by inviting international fair trade experts to Chile;

3. Participating in international fair trade events and bringing buyers/importers of fair trade products to Chile

4. Creating trade fairs for family businesses and associations, with a focus on fair trade and sustainable products.

This last point is especially important for the Association because since 2015, it has supported the development of 11 trade fairs at the Altos Las Condes mall, in the Metropolitan Region of Santiago.

From the first events, called "Chilean Creations Fairs" and "Fair Market" events, all the way to the present "Entrepreneurship Market", these fairs have provided a new sales space and an opportunity to establish new contacts and build the foundations for future trade relations, especially for the smallest family businesses.

These fairs began in 2015 with one event each year during one weekend. After developing two in 2021, there were three planned for 2022, for two weeks each: *«The focus on quality national craft and food products has been highly valued by those who attend the fairs. Starting in May 2021, we have also included businesses not certified as fair trade, but always with a clear focus on sustainability»* (Marcela Cofré, interview).

At the Altos Las Condes mall, there is also a store managed by the company Rupestre (considered in this study) that, in addition to its own products, also promotes the sale of handicrafts from different companies, including fair trade companies[35].

Considering the presence of Cencosud in Argentina, Brazil, Peru, and Colombia, this type of fair is perfectly replicable for fair trade producers in other countries. However, in order to scale sales to other areas of the company, it is important to expand the outreach to other sustainable enterprises, further the professionalism of these companies, generate larger inventories, and improve products' quality.

Since 2018, Marcela Cofré, artisan and cofounder of the family company Calypso Chile[36], has been the Association's president. During her interview, she specified at least three important challenges in the present and for the

[33] See: http://achilejusto.cl/
[34] See: https://www.cencosudshoppingcenters.com/
[35] See: https://www.altolascondes.cl/tiendas/rupestre
[36] See: https://www.calypsochile.com/

future: *«On one hand, we should focus more and more on small agricultural producers and artisans, so they can take direct advantage of commercial opportunities. On the other hand, we should encourage more participation by women, including within the Association's Board. And finally, we have to focus our advocacy efforts toward a targeted public policy so that public funds get to those who truly need them»* (Marcela Cofré, interview).

One of the most recent alliances established by the Fair Trade Association of Chile is with "Marca Chile", which has joined the fairs at the Altos Las Condes mall by contributing, with audiovisual materials and the country brand, to national products made by local artisans, sharing them with the world.

Chile Creating Future

The Association, as well as various partner organizations, uses the country brand to add value to its products. *«This relationship is very important to us»*, comments Víctor Palma of the Image of Chile Foundation:

«because our current strategy is to value and show the talent that is behind Chilean products. Before, we focused mostly on landscapes and tourism. Now, we promote everything we offer the world in terms of quality products and services that are closely linked to our territories, renewable energies such as green hydrogen, and others. Fair trade stakeholders fit perfectly within our pillars of Innovation and Entrepreneurship»[37] (Víctor Palma, interview).

In 2015, Fairtrade certified small producer organizations left the Association and created the Chilean National Fair Trade Network (Coordinadora Nacional de Comercio Justo de Chile, CNCJ-Chile), aligning with the structure that the Latin American and Caribbean Network of Fair Trade Small Producers and Workers (Coordinadora Latinoamericana y del Caribe de Pequeños(as) Productores(as) y Trabajadores(as) de Comercio Justo, CLAC) is promoting in the countries where there are Fairtrade certified members.

Coordinadora Nacional de Comercio Justo - Chile

The role of these national networks is mainly to represent all Fairtrade certified producer organizations in a country. They support the actions taken by CLAC by fulfilling its strategic planning, and they play an important role in empowering its members in political and social advocacy. They seek to build strategic alliances that work to promote the development of fair trade and its stakeholders through different production, commercial, entrepreneurial, and awareness initiatives.

Since its creation, the CNCJ-Chile has established relationships mostly with ProChile, INDAP (Institute of Agricultural Development), especially at its Maule regional office, CORFO, the former Division of Associativity and Social Economy (División de Asociatividad y Economía Social, DAES, today DAC, Division of Associativity and Cooperatives) of the Ministry of Economy, FIA (the Agrarian Innovation Foundation), the Autonomous University of Chile (Talca branch, Maule Region) and the Catholic University of Maule, the two universities that have started working directly with the network. The Catholic University of Maule has already joined the "Latin American Universities for Fair Trade" campaign.

Furthermore, Fairtrade certified wine producing organizations have supported the creation of a catalog of Fairtrade wines published by CLAC in 2021, including both Chilean and Argentinian organizations[38].
Due to the large presence of fair trade small producer organizations in the region, the Regional Maule Government and the Maule Regional Production Development Corporation (CRDP-Maule) have in recent

[37] See: https://marcachile.cl/innovacion-emprendimiento

years become important allies of the Chilean fair trade movement.

We had the opportunity to interview María de la Luz Mella Pérez, current executive director of CRDP-Maule. Even though the Maule Region has led strong support for fair trade for several years, «*there is still no formality or definition regarding how this subject is being addressed or developed in the region*», she commented. «*However, due to the region's agricultural history and the presence of different craft organizations, the Regional Government and CRDP have been actively involved in promoting it and making it more visible*». This is why these two entities have supported several trade fairs at the Alto Las Condes mall in the Metropolitan Region of Santiago, where the population has more purchasing power.

For many years, the Maule region has been involved in international fair trade relationships, especially with Belgium, as we saw earlier. «*However, these relationships could be affected by international economic downturns or crises*» (María de la Luz Mella, interview).

For María de la Luz (interview), «*The most important thing about fair trade is building transparent value chains where the value of a particular product is shared equitably. In this sense, based on my experience and research, there are still margins that allow companies to buy raw agricultural products from their producers at a higher price, thereby truly recognizing their work. When thinking about a bottle of wine, for example, in my opinion, an increase in price for the raw material would be almost marginal in terms of the total value of the product. So you see, there are margins for being fairer toward farmers*».

In addition to the CRDP-Maule and the Maule Regional Government, the CNCJ-Chile has also been actively involved with the regional INDAP office in Maule: «*Together with the national coordinator and ProChile, we have organized various public seminars to raise awareness of fair trade principles with regional producer organizations, to clarify the process and demystify certain fundamental messages about fair trade and its current challenges*» (Julio Cáceres, interview). However, as Julio Cáceres of the INDAP regional office in Maule told us, in the last few years, support for family and cooperative agriculture exports has drastically decreased, which has reduced the interventions with fair trade organizations. Faced with this focus of public programs, in which family farming was relegated to the internal market, there were dialogues between CNCJ-Chile and INDAP Maule to start to develop finished products, precisely for the local market. In the end, however, this idea didn't flourish.

Recent fruit of the collaboration between several members of fair trade networks in Chile is the CORFO catalog "Female Entrepreneurs for Fair Trade" published for the first time in October 2020[39] and updated, with a new version available in English, in May 2021[40].

«*This is an important job, where public contribution is highlighted through the programs 'Female Heads of Household' and 'Women and Entrepreneurship' through the National Women's Service (SERNAM), now the National Women and Gender Equality Service (SERNAMEG)*» comments Bárbara Araneda (interview), support professional at the Regional Metropolitan Department of Women and Gender Equality.

«*Several women artisans who are shown in the catalog participated in the programs "Women On" (which we developed with the support of Entel) and "Heads of Household" in different Santiago communes. It was a seed that triggered an empowerment process for various artisans, starting with many*

[38] Catalog available at: https://clac-comerciojusto.org/wp-content/uploads/2022/10/catalogo-de-vinos.pdf
[39] See: https://corfo.cl/sites/cpp/sala_de_prensa/nacional/14_10_2020_corfo_lanza_catalogo_comercio_justo
[40] Catalog available at: https://www.corfo.cl/sites/cpp/sala_de_prensa/nacional/19_05_2021_catalogo_cj_2021

concerns and needs that as public officials, we seek to address» (Bárbara Araneda, interview).

"Mujeres On" was executed by EmpreDiem (WFTO member organization) which today, through its commercial spinoff Glocart[41], aims to promote business opportunities for producers and artisans all over Chile, highlighting their manual dexterity and local identity. It is one of the organizations that is considered in this study.

4.2 Consumer predisposition

In 2020, the Latin American Center for Rural Development (RIMISP) published the report "Study of internal potential for fair trade products in Chile" (Hiernaux, Rivas y Zamorano, 2020), commissioned by CLAC. In it, there are some important elements that characterize fair trade in Chile from the point of view of consumers.

In general, there is evidence of «*a significant lack of knowledge about the concept of fair trade*» among the average consumer in Chile; «*Even though the trends of sustainability and social responsibility are growing*», they are still the minority (Hiernaux, Rivas y Zamorano, 2020).

From the general survey, Hiernaux, Rivas, and Zamorano show that 56,9% of those surveyed didn't know what fair trade was. Among the 43,1% who did know, only 2% had advanced knowledge. These results are very similar to the 45% and 2,7% from the ProQualitas (2016) study. Data regarding the main purchasing variables are also in line with this study.

The second survey in the study, taken by 273 niche consumers, 203 of whom live in the Metropolitan Region of Santiago, revealed that 89% of them buy fair trade products with some regularity: 52%

Product attribute preferences

ORDER OF IMPORTANCE	PEOPLE WHO KNOW WHAT FAIR TRADE IS	PEOPLE WHO DO NOT KNOW WHAT FAIR TRADE IS
1	Price	Price
2	Quality	Quality
3	Other	Other
4	Fair Trade Seal	Labels
5	Reputation	Fair Trade Seal
6	Labels	Brand
7	Brand	Reputation

Note: according to how many times an attribute was the first preference
Source: Hiernaux, Rivas y Zamorano (2020)

monthly, 33% one or two times a year, 11% never, and 4% weekly.

88% of the people who by fair trade products are women (consistent with the results of the ProQualitas 2016 study). Of them, 86% are between 26 and 46 years old, 95% have higher education (12% higher technical education, 53% university education, and 30% graduate education), 43% have monthly income above one million pesos, and 57% live in the northeast sector, where the wealthiest districts in the Metropolitan Region are located (Colina, Providencia, Ñuñoa, La Reina, Las Condes, Vitacura, and Lo Barnechea districts).

Additionally, the survey results from this niche show that 44% of those surveyed would be willing to pay up to 10% more for fair trade products and 40% would pay between 10% and 20% more. However «*this willingness could increase if consumers had a better understanding (more information) about how fair trade promotes the development and quality of life for producers and workers in vulnerable circumstances*» (Hiernaux, Rivas y Zamorano, 2020).

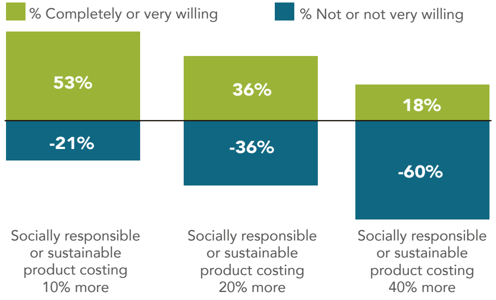
[41] See: https://www.glocart.cl

Places where fair trade products are bought, by category

	HONEY	WINE	FRUIT	JUICE	SUGAR	COFFEE	TEA
Warehouses	6%	5%	9%	13%	10%	3%	7%
Directly from producers	48%	14%	10%	9%	1%	8%	3%
Local markets	14%	1%	59%	1%	5%	1%	1%
Supermarkets	2%	33%	1%	44%	42%	37%	41%
Specialty stores	24%	30%	9%	24%	30%	34%	41%
Online	5%	17%	12%	10%	11%	17%	7%

Source: Hiernaux, Rivas y Zamorano (2020)

In the study "Conscientious: A look at current new consumption", commissioned by Acción Empresas and carried out nationally by IPSOS (2019), surveyed were asked how willing they would be to buy socially responsible or sustainable products if they cost 10%, 20% or 40% more. The results show a good propensity for buying a sustainable product that costs 10% more than the usual price. The percentages went down as the price went up.



Source: IPSOS (2019)

Despite this willingness that is undoubtedly an opportunity, the study commissioned by CLAC and carried out by RIMISP researchers indicates that there are still several barriers to develop a fair trade market in Chile. On one hand is the ability to pay (29% of consumers think that the largest barrier is the price of fair trade products) and the lack of information (34,8% think that there is little available information about the veracity of fair trade products). On the other hand is the level of formal education and civic consciousness ("ethos" and "culture") that create a change from an individualistic attitude toward consumption to one that looks to fulfill a social, economic, and environmental role through consumption. The study also showed two barriers on the supply side: the cost of certification and the concentration of marketing channels: *«24% of consumers say the main barrier is the lack of availability/variety of products or the few points of sale»* (Hiernaux, Rivas y Zamorano, 2020).

4.3 The outlook of fair trade organizations and companies in Chile

Based on how fair trade certification schemes have been developed internationally, we can group the different Chilean producers and traders in the following way:

AGRICULTURE	ABBREVIATION	# IN CHILE
Agricultural small producers democratically organized into organizations, associations, cooperatives, etc.	OPP	**13**
Private agricultural companies that employ farm workers for crops and harvests.	EAP	**12**
Private companies that buy raw materials from non-organized producers for processing and sale.	EPC	**2**
Private traders, not dedicated to fair trade, that also export certified products.	CPT	**3**
CRAFTS		
Organization of artisans that produce and trade their own products.	AO	**6**
Social and solidary businesses that purchase, process, and/or trade products from non-organized artisans and producers. (*)	ECS	**10**
	TOTAL (including "traders")	**46**

Note: (*) Cosecha Justa" which sells food, is included in this category.

At the time this study was carried out, there were 46 companies and organizations that operated within one of the four fair trade certifications schemes in the country: **1)** World Fair Trade Organization; **2)** Fairtrade International; **3)** EcoCert – Fair For Life; **4)** Fair Trade USA.

Fair-trade companies and organizations in Chile that participated in the study

		Organization/company	Location	Type	Category	Perception Survey	Business Information
Organizations that operate under WFTO principles	1	Artesanías de Chile	Santiago	ECS	Crafts	SI	SI
	2	Artesanías Pueblos del Sur	Santiago	ECS	Crafts	SI	SI
	3	Beas y Tapia Ltda.	Santiago	ECS	Crafts	SI	SI
	4	Calypso Chile EIRL	Santiago	OA	Crafts	SI	SI
	5	Cooperativa Folil Araucanía	Temuco	OA	Crafts	SI	NO
	6	Cordillerana	Santiago	ECS	Crafts	SI	SI
	7	Cosecha Justa	Santiago	ECS	Crafts	SI	SI
	8	Fundación Chol-Cho	Temuco	ECS	Crafts	SI	NO
	9	Glocart (EmpreDiem SPA)	Santiago	ECS	Crafts	SI	SI
	10	Green Glass SPA	Santiago	OA	Crafts	SI	SI
	11	Hebras del Alma	Villarrica	OA	Crafts	SI	SI
	12	Manos del Bío Bío	Concepción	OA	Crafts	SI	SI
	13	Relmu Witral, Asociación	Tirúa	OA	Crafts	SI	SI
	14	Rupestre (Cridem SPA)	Santiago	ECS	Crafts	SI	SI
	15	Trauko	Santiago	ECS	Crafts	SI	SI
	16	Witral (Sociedad Soto & Duran)	Cauquenes	ECS	Crafts	SI	SI
Organizations certified under Fairtrade International standards	17	Asociación Gremial de Vitivinicultores del Secano de Cauquenes (VIDSECA)	Cauquenes	OPP	Agriculture	SI	SI
	18	Astaburuaga S.A. (Agrícola Asval S.A.)	Sagrada Familia	EAP	Agriculture	SI	SI
	19	Cooperativa Agrícola Apícola Cuenca del Mataquito	Curicó	OPP	Agriculture	SI	SI
	20	Cooperativa Agrícola Vitivinícola Loncomilla (Coop. Loncomilla)	San Javier	OPP	Agriculture	SI	SI
	21	Cooperativa Agrícola y Vitivinícola Caupolicán Ltda.	Curicó	OPP	Agriculture	NO	NO
	22	Cooperativa Campesina Apícola Santa Barbara Ltda. (COASBA)	Santa Bárbara	OPP	Agriculture	SI	SI
	23	Cooperativa Campesina Apícola Valdivia Ltda. (APICOOP)	Valdivia	OPP	Agriculture	SI	SI
	24	Cooperativa Frutícola Agronuez Choapa (Agronuez)	Illapel	OPP	Agriculture	SI	SI
	25	Cooperativa Silvoagropecuaria y de Servicios de Loncoche (Loncofrut)	Loncoche	OPP	Agriculture	NO	NO
	26	Cooperativa Viñedos Esperanza de la Costa Ltda.	Hualañe	OPP	Agriculture	SI	SI
	27	Dukraft Comercial Ltda.	Santiago	CPT	Agriculture	Not considered*	
	28	Exportadora Acograpes Ltda	San Felipe	CPT	Agriculture		
	29	Mosaique Wines Ltda. (Antawara Wines)	Santiago	CPT	Agriculture		
	30	Productores de Frutas del Valle de Aconcagua (MI FRUTA S.A.)	San Felipe	OPP	Agriculture	SI	SI
	31	Sociedad Red del Vino Sexta Región S.A.	Santa Cruz	OPP	Agriculture	SI	SI
	32	Sociedad Vitivinícola Sagrada Familia S.A. (Vinos Lautaro)	Sagrada Familia	OPP	Agriculture	SI	SI
	33	Viñedos Emiliana S.A. (VESA)	Santiago	EAP	Agriculture	SI	SI

Organizations certified under EcoCert - Fair for Life standards	34	Honey Group Chile SpA	Rancagua	EAP	Agriculture	SI	SI
	35	Moscatel Cinsault Guarilihue S.A. (Moscin)	Coelemu	OPP	Agriculture	SI	SI
	36	Sociedad Agrícola Hacienda Mal Paso y Cia Ltda	Ovalle	EAP	Agriculture	SI	SI
	37	Sociedad Vinícola Miguel Torres S.A	Curicó	EPC	Agriculture	SI	SI
	38	Sustainable Botanicals Chile SpA	Concepción	EPC	Agriculture	SI	SI
	39	Viña Casas Patronales S.A	Talca	EAP	Agriculture	SI	SI
	40	Viñedos Veramonte (Alto de Casablanca S.A.)	Casa Blanca	EAP	Agriculture	SI	SI
Organizations certified under Fair Trade USA standards	41	Agrícola Moncuri SpA	San Felipe	EAP	Agriculture	SI	SI
	42	Agrícola Valle Aconcagua - Fundo Los Graneros**	San Felipe	EAP	Agriculture	SI	SI
	43	Agrícola Valle Centro Ltda. - Fundo El Olivo**	San Felipe	EAP	Agriculture	SI	SI
	44	Agrícola Valles del Norte	Illapel	EAP	Agriculture	SI	NO
	45	Agrícola Valles del Sur SpA	Gorbea	EAP	Agriculture	SI	SI
	46	Huertos Carmen Sociedad Agrícola Ltda.**	San Felipe	EAP	Agriculture	SI	SI

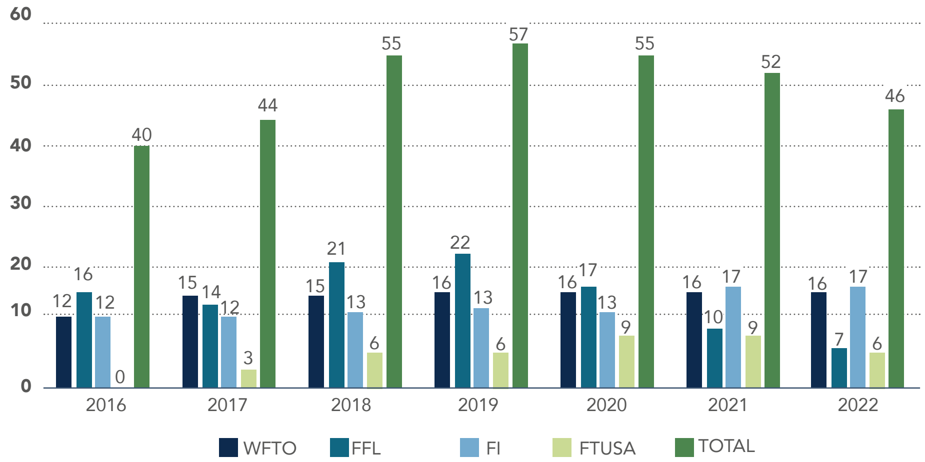
* In the case of companies and organizations certified under the Fairtrade International system, it was decided to not include in this study private companies that only function as traders.
**They form part of the same company that answered the general perception survey for all of them.

At the time the study was carried out (first semester 2022), there were 13 fair trade small producers' organizations, 12 private companies that employ rural workers, 2 private companies that buy, under fair trade standards, agricultural raw materials from not organized producers, 3 private traders certified to export products from other organizations, 6 artisan organizations, 9 social and solidarity trade businesses that buy, process and/or sell handicrafts, and 1 that buys, processes and sells products from non-organized agricultural producers.

These numbers have varied in the last few years. There has been growth of certified companies and organizations, from 40 in 2016 to 57 in 2019, and then a decrease to 46 at the end of 2021, showing a downward trend, especially during the pandemic. This decrease is considerably more in the case of Fair For Life certified companies.:

> *«The Fair For Life certified companies in Chile are decreasing, in contrast to the trend seen in other Latin American countries. On one hand, it could be that fair trade buyers feel that Chile is a more developed country, so they look for providers in other countries. On the other hand, maybe Chilean fair trade products don't have as much of a market as others in the region. At Fair For Life, for example, we saw a considerable increase in certified coffee companies»* (Robin Ramakers, interview).

Number of fair-trade companies and organizations in Chile (by certification system)



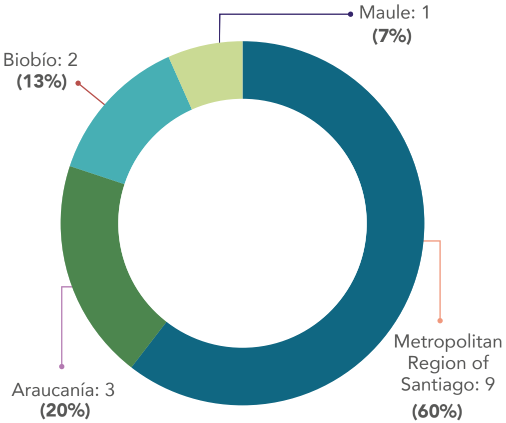
4.4 Chilean fair trade crafts

The 15 organizations that sell craft products are mostly in the Metropolitan Region (9), even though they trade products of artisans from all over the country

Six are associations of artisans that also trade their products, and nine are social traders that buy their products from non-organized artisans. The materials and type of products are quite varied and reflect the diversity of the country and its natural resources[42].

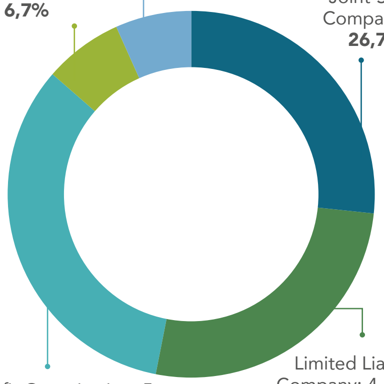
		TYPES OF CRAFTS	WEBPAGE
1	Traditional Chilean crafts	Ceramic, textile, wood carvings, goldsmithing, basketry, leather goods, recycled crafts, and metals.	https://artesaniasdechile.cl
2	Artesanías Pueblos del Sur	Glass, jewelry, ceramic, musical instrument, and other crafts.	n/a
3	Beas y Tapia Ltda.	Costume jewelry, ocarinas, clay figures, cacti, and wood, copper, bronze, iron, and vitrofusion crafts.	http://www.beasytapia.cl
4	Calypso Chile EIRL	Fused glass, stoneware, and copper enamel jewelry crafts.	https://www.calypsochile.com
5	Cooperativa Folil Araucanía	Mapuche textile, goldsmithing, and leather crafts.	https://www.folilaraucania.cl
6	Cordillerana	Wood, plant fiber, alpaca wool, sheep wool, stone, horsehair, leather, and clay crafts	https://cordillerana.cl
7	Fundación Chol-Chol	Textiles, silverwork, plant fibers, and souvenirs.	http://cholchol.org
8	Glocart (EmpreDiem SPA)	Wood, wool, felt, and other crafts	https://www.glocart.cl
9	Green Glass SPA	Glass cups made from recycled glass bottles	https://www.greenglass.cl
10	Hebras del Alma	Craft objects made of sheep's wool.	https://hebrasdelalma.cl
11	Manos del Bío Bío	Natural cosmetics, leather goods, goldsmithing, paper mâché, wood	https://manosdelbiobio.cl
12	Relmu Witral, Asociación	Beds, mats, handbags, socks, table runners, cushions, women's coats, blankets, white or colored personalized hats, wool, quilts, murals, Mapuche textiles, footboards, ponchos, coasters, leggings, book ends, blankets with fringe.	https://relmuwitral.cl
13	Rupestre (Cridem SPA)	Crafts made of leather, sheep's wool, wood, and stone.	https://rupestre.cl
14	Trauko	Leather crafts	https://traukochile.cl
15	Witral (Sociedad Soto & Duran)	Varieties of sheep's wool (urdimbre, trama, vellon, multicolored, and others), knitting kits, patterns, knitting and sweaters, and textile tools.	https://witral.cl

Organizations that market crafts, by region

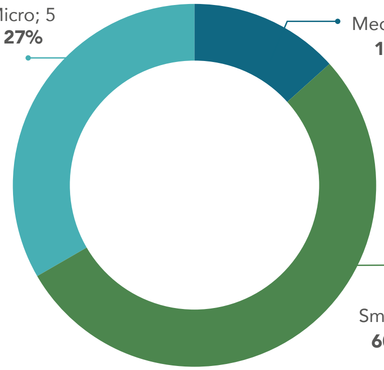


[42] In the case of handicraft organizations, have been considered those that have WFTO accreditation as well as organizations that work according to WFTO principles without accreditation but are members of the Fair Trade Association of Chile. This is because several of them do not export, and therefore the WFTO accreditation does not necessary add value to their fair trade products.

Craft organizations by type

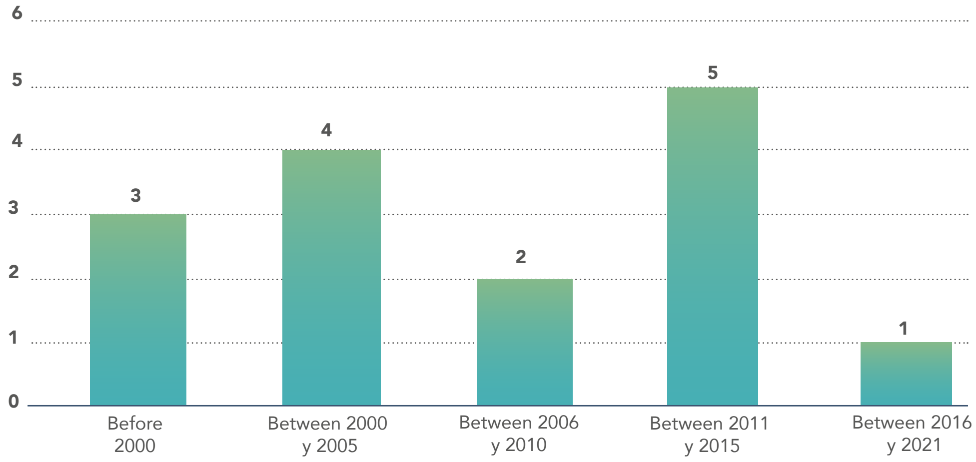


Craft organizations by size



Note: according to the classification of Chile's Internal Tax Service

Craft organizations by year when founded



PRINCIPAL STRENGTHS OF CRAFT ORGANIZATIONS

- Strong collaboration between members
- Good relationships with clients
- Leading role of women
- Promotion of crafts and Chilean artisan culture
- Opportunities for artisans in all regions

PRINCIPAL CHALLENGES FOR CRAFT ORGANIZATIONS

- Scarce economic resources
- Lack of workers and personnel
- Low production capacity
- Complexities due to geographic/territorial location
- Difficulty accessing new markets

Craft organizations represented a total of 128 artisan members:

126 women and 2 men

♀(98,4%) ♂(1,6%)

The organizations also buy and trade products from non-member artisans. In total, they purchased from 2.818 artisans:

2.285 women and 533 men

♀(81%) ♂(19%)

Of the 15 craft organizations, only 8 organizations had the approximate investment amount necessary to maintain their certification: the average amount was 2 million 258 thousand Chilean pesos a year (2.580 euros). However, the investment cost varied considerably from a minimum of 413 euros to a maximum of 11.250 euros. This calculation requires a more in-depth analysis and standardized criteria between the different organizations, which was not possible to do during this study.

Note: The exchange rate from June 30, 2021, was applied here (1 euro = 875,23 Chilean pesos)

Craft organizations create 192 direct permanent jobs:

130 women and 62 men

♀(67,7%) ♂(32,3%)

Craft organizations also created 98 direct temporary or seasonal jobs:

72 women and 26 men

♀(73,5%) ♂(26,5%)

In terms of other certifications, 6 organizations claimed to have another certification, national or international:

B Corporation	3 organizations
Marca Chile	3 organizations
Gender Parity Initiative Seal	1 organization

Costs of fair trade certification:

22,2% of craft organizations paid an annual cost of 450 euros

44,4% paid an annual cost between 450 and 1.500 euros

33,3% paid an annual cost above 1.500 euros

Note: Out of a total of 8 that responded

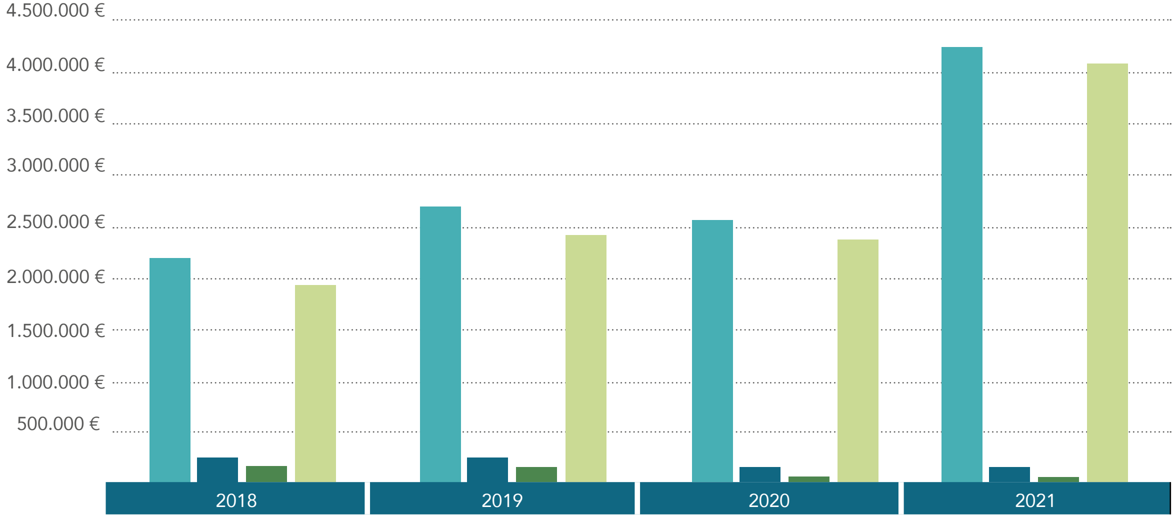
Faced with the question, "Could you easily start producing another craft to respond to a change in the demand from Europe?"

13 organizations answered "Yes"

2 organizations answered "No"

National craft sales and exports

Of the 15 craft organizations, only 7 of them export. We received sales data from 13 organizations, 6 out of 7 which export.

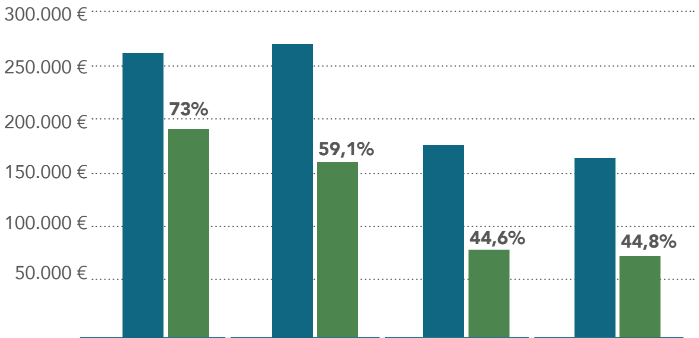


	2018	2019	2020	2021
Total sales	2.191.830 €	2.699.470 €	2.568.121 €	4.271.598 €
Exports	261.026 €	268.857 €	175.443 €	163.837 €
Exports EU + UK and Switzerland	190.454 €	158.842 €	78.296 €	73.359 €
National Sales	1.930.804 €	2.430.613 €	2.392.678 €	4.107.761 €

Note: Data was not received by these two organizations: Fundación Chol-Chol and Cooperativa Folil Araucanía

The total amount of sales, for craft organizations between 2018 and 2021, was 11.731.119 euros. National sales reached a total of 10.861.956 euros. This amount reflects 93% of sales income accumulated in these four years. Exports, on the other hand, reached a cumulative amount of 869.163 euros, of which 500.951 reflect exports to Europe. Of the total accumulated between 2018 and 2021, only 7% reflect exports and only 4% exports to European countries. Exports to Europe (EU, UK, and Switzerland) reflect exactly 57,6% of all cumulative exports in those four years.

Craft exports (euros)



	2018	2019	2020	2021
Exports	261.026 €	268.857 €	175.443 €	163.837 €
Exports EU + UK and Switzerland	190.454 €	158.842 €	78.296 €	73.359 €

In 2018, exports to Europe (EU, UK, and Switzerland) reflected 73% of all exports. In 2019, it was 59,1%, down to 44,6% in 2020, and remaining steady at 44,8% in 2021. As you can see, in the last few years, there has been a significant decrease in Chilean fair trade craft exports.

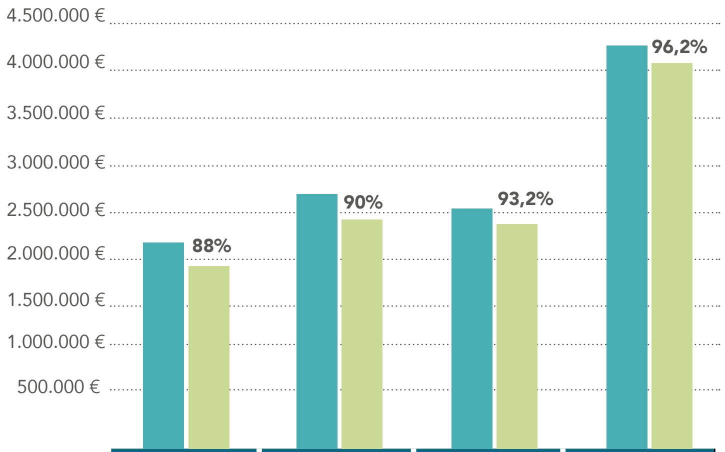
The total number of international clients of exporting craft organizations decreased from 50 in 2018 to 41 in 2019 and 27 in 2020, and then increased to 30 in 2021. Of these clients, the European ones were at 30 in 2018, 23 in 2019, and 14 in 2020 and 2021. A decrease in the number of clients can be seen in the last few years, with a slight recovery in 2021.

Finally, among the organizations that export crafts, six provided data about the European destinations for their exports: Germany (3 mentions); Sweden, Switzerland, and Austria (2); Belgium, Denmark, Spain, England, Italy, Norway, and Netherlands (1 mention). We can see considerable discontinuity in relationships with clients between 2018 and 2021.

On the other hand, there has been a significant increase in national sales, especially during 2021. In 2018, these sales reflected 88% of total sales, 90% in 2019, 93,2% in 2020, and up to 96,2% in 2021.

This growth is also due to an increase in organizations participating in the Fair Trade Association of Chile. In fact, there were 7 that reported their national sales for 2018, 8 for 2019, and 9 organizations for 2020 and 2021.

National Craft Sales (euros)



	2018	2019	2020	2021
Total Sales	2.191.830	2.699.470	2.568.121	4.271.598
National Sales	1.930.804	2.430.613	2.392.678	4.107.761

Channels used for national craft sales

Given the importance of national sales for craft organizations, it is important to look at the types of channels they are using for product sales in Chile.

	2018		2019		2020		2021	
	No. of organizations	Average % of sales	No. of organizations	Average % of sales	No. of organizations	Average % of sales	No. of organizations	Average % of sales
Retail, supermarkets, and large stores.	2	24,00	2	29,50	2	6,00	2	6,50
Smaller and specialty stores	6	24,67	6	23,67	4	11,50	4	13,75
Distributors	2	4,00	2	2,00	2	2,50	3	12,67
Periodic local or national fairs	6	34,50	6	33,17	2	12,94	2	10,63
Direct to consumer through other channels (online sales, owned stores)	9	62,00	9	62,78	10	84,61	10	79,80
Corporate gifts	3	43,67	3	43,67	3	56,67	3	61,33

Retail fair trade craft sales in Chile continue to be marginal. Only two organizations mentioned using this channel and on average, the sales between the two have decreased from 24% in 2018 to 6,5% in 2021. Sales in small and specialty stores have also decreased, going from an average of 24,67% between six organizations in 2018 to 13,75% among four in 2021. The same thing happened to sales from periodic fairs, which decreased from an average of 34,5% (six organizations) in 2018 to 10,63% (two organizations) in 2021. On the other hand, there was an increase in sales through national distributors (from 4% between two organizations in 2018 to 12,67% between three organizations), in direct sales through privately-owned stores and E-Commerce channels (from 62% between nine organizations in 2018 to 79,8% between ten), and in corporate gift expenditures, which increased from 43,7% in 2018 to 61,3% in 2021.

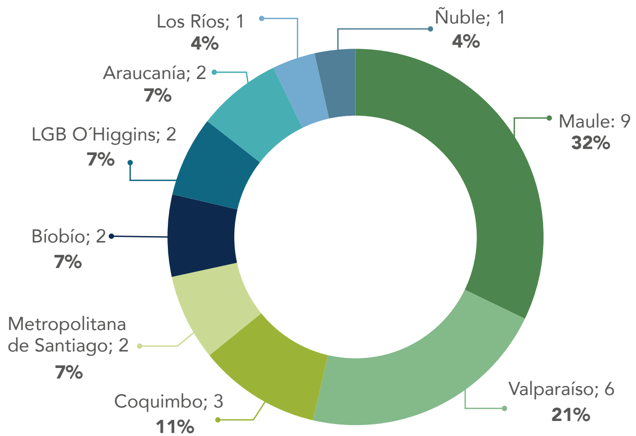
4.5 Chilean fair trade agricultural products

The 28 companies and small producers' organizations that produce and trade certified agricultural products are located in the Maule Region (9), followed by the Valparaíso Region (6), and the rest in the remaining regions[43].

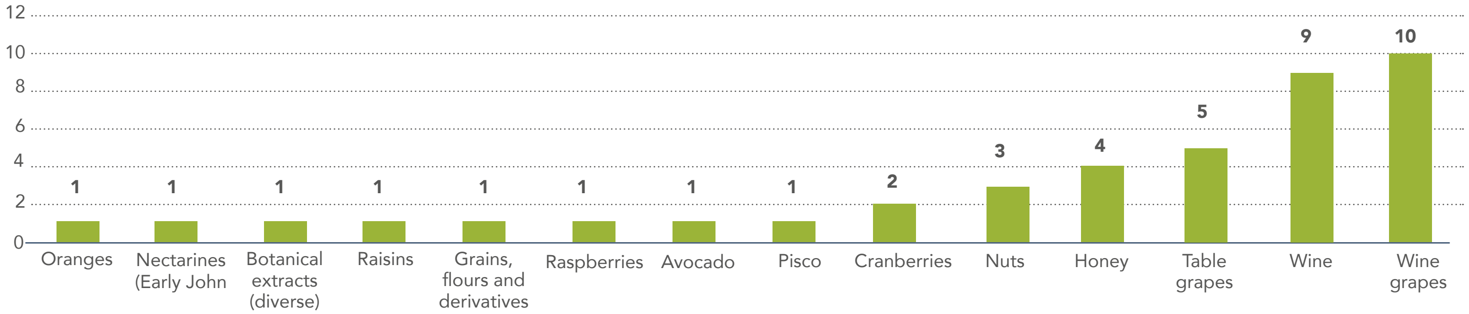
In terms of products, wine grapes and wine prevail, followed by table grapes, honey, and nuts.

Below, for data confidentiality reasons, we can only show total aggregate data and aggregate data for the categories of wine, table grapes and honey.

Agricultural organizations and companies by region



Number of companies or organizations, by type of certified product (Dec. 2021)

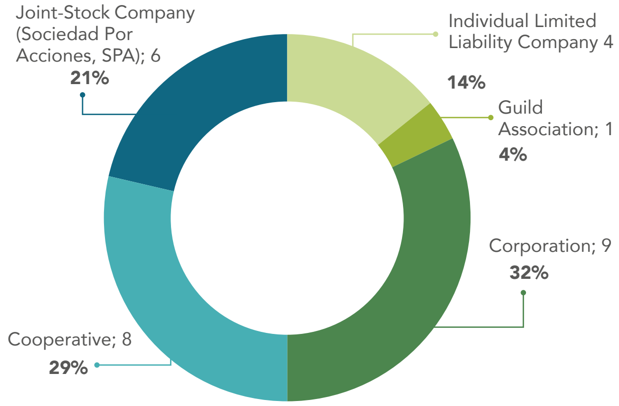


[43] In terms of agricultural product organizations and companies certified Fairtrade, EcoCert Fair For Life, and Fair Trade USA, we have included all those certified by December 2021.

		CERTIFIED AGRICULTURAL PRODUCTS	WEB PAGE
1	Cosecha Justa	Grains (white and brown rice, chickpeas, lentils, and quinoa), flours (brown rice, chickpeas, lentil, and quinoa), and pastas (pea, chickpeas, and lentil)	https://www.cosechajusta.cl
2	Honey Group Chile SpA	Honey	https://es.honeygroupchile.cl
3	Moscatel Cinsault Guarilihue S.A. (Moscin)	Wine grapes	https://moscin.cl
4	Sociedad Vinícola Miguel Torres S.A.	Wines	https://www.migueltorres.cl
5	Sociedad Agricola Hacienda Mal Paso y Cia Ltda	Pisco	https://www.malpaso.cl
6	Sustainable Botanicals Chile SpA	Rosehip and Chilean hazelnut oil, barberries, maqui berries, and morchella mushrooms (*)	https://sustainablebotanicals.com
7	Viña Casas Patronales S.A	Wines	https://casaspatronales.com
8	Viñedos Veramonte (Alto de Casablanca S.A.)	Wine grapes (**)	https://www.veramonte.cl
9	Cooperativa Campesina Apícola Valdivia Limitada (APICOOP)	Honey and cranberries	http://www.apicoop.cl
10	Productores de Frutas del Valle de Aconcagua S.A. (MI FRUTA)	Raisins, table grapes, and nuts (***)	https://mifruta.cl
11	Cooperativa Agrícola y Vitivinícola Caupolicán Ltd	Wine grapes	n/a
12	Cooperativa Campesina Apícola Santa Barbara Ltda. (COASBA)	Honey	https://coasba.cl
13	Sociedad Red del Vino Sexta Región S.A.	Wine grapes (**)	https://www.reddelvino.com
14	Cooperativa Agrícola Vitivinícola Loncomilla (Coop. Loncomilla)	Wine grapes (**)	https://cooploncomilla.cl
15	Cooperativa Frutícola AGRONUEZ CHOAPA	Nuts	https://agronuezchoapa.cl
16	Cooperativa Viñedos Esperanza de la Costa Limitada	Wine grapes	n /a
17	Viñedos Emiliana S.A.	Wine grapes (**)	https://www.emiliana.cl
18	Cooperativa Silvoagropecuaria y de Servicios de Loncoche (Loncofrut)	Raspberries	https://loncofrut.cl
19	Cooperativa Agrícola Apícola Cuenca del Mataquito	Honey	n/a
20	Astaburuaga S.A. (Agrícola Asval S.A.)	Wine grapes (**)	http://www.caw.cl
21	sociación Gremial de Vitivinicultores del Secano de Cauquenes (VIDSECA)	Wine grapes (**)	n/a
22	Sociedad Vitivinícola Sagrada Familia S.A. (Vinos Lautaro)	Wine grapes (**)	https://www.lautarowines.com
23	Agrícola Moncuri SpA	Table grapes	https://moncuri.cl
24	Agrícola Valle Aconcagua - Fundo Los Graneros	Table grapes	https://www.prontoexport.cl
25	Agrícola Valle Centro Ltda. - Fundo El Olivo	Table grapes and oranges (****)	https://www.prontoexport.cl
26	Valles del Norte	Avocados and nuts	https://www.sanjosefarms.com
27	Agrícola Valles del Sur SpA	Cranberries	https://www.sanjosefarms.com
28	Huertos Carmen Sociedad Agrícola Ltda.	Table grapes and nectarines (Early John)	https://www.prontoexport.cl

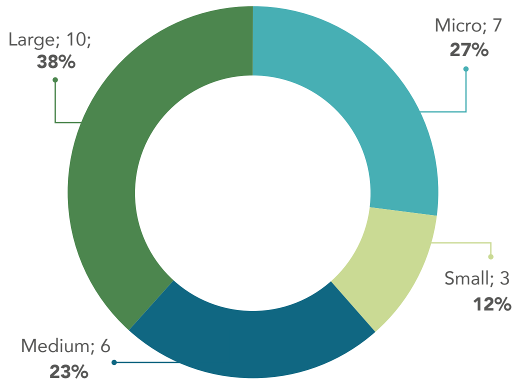
Note: (*) For this study, we took marketing data for rosehip oil into consideration; (**) For these organizations, we counted sales in liters of wine; (***) We only counted commercial data for raisins; (****) In terms of oranges, we didn't consider commercial data for very low volumes.

Agricultural organizations and companies by type



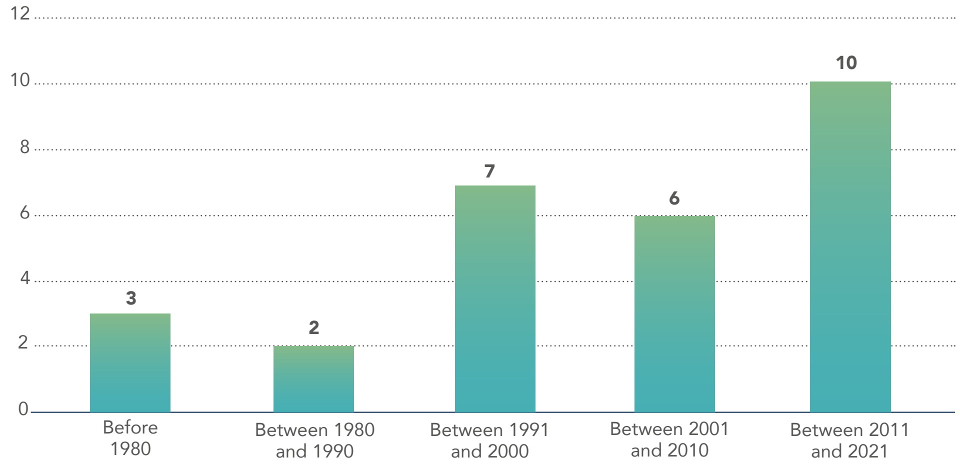
N= 28 (100%)

Agricultural organizations and companies by size



N= 26 (93%)

Agricultural organizations and companies by foundation year



Agricultural organizations represent total of 9.364 acres for growing and harvesting, 8.043 (86%) of which are certified as fair trade, and 6.034 (64,4%) of which are certified organic and that belong to just six organizations.

Small producers' organizations have a total of 1.362 acres for agricultural crops, 14,5% of which are certified as fair trade in Chile.

When dividing this total between the number of members of small producers' organizations dedicated to crops (325), you can see that on average, each associated agricultural producer has 4,2 acres for farming.

The 13 small producers' organizations account for 585 members:

121 women and 464 men
♀(20,7%) ♂(79,3%)

Of these, 260 are beekeepers

31 women and 229 men
♀(12%) ♂(88%)

Besides, the 11 small producers' organizations, that reported this information, permanently employ a total of 96 people:

35 women and 61 men
♀(37,5%) ♂(63,5%)

In addition, 381 are temporarily employed:

178 women and 203 men
♀(46,7%) ♂(53,3%)

The 12 private agricultural companies directly and permanently employ a total of 2.700 people:

1.195 women and 1.495 men
♀(44,3%) ♂(55,7%)

The private agricultural companies directly and temporarily employ 2.755 people:

1.568 women and 1.187 men
♀(57%) ♂(43%)

Finally, 3 companies purchase raw materials from a total of 77 people between producers and harvesters:

22 women and 55 men
♀(29%) ♂(71%)

Principal strengths of agricultural small producers' organizations

- Associativity, commitment, and cohesion among partners
- Negotiating power
- Quality and heritage products
- Leadership in the national cooperative sector
- Certifications

Principal challenges for agricultural small producers' organizations

- Little market security
- Lack of capital for operations and infrastructure
- Negative effects of climate change
- Members of advanced age and scarce incorporation of new workers
- Geographic dispersion of members

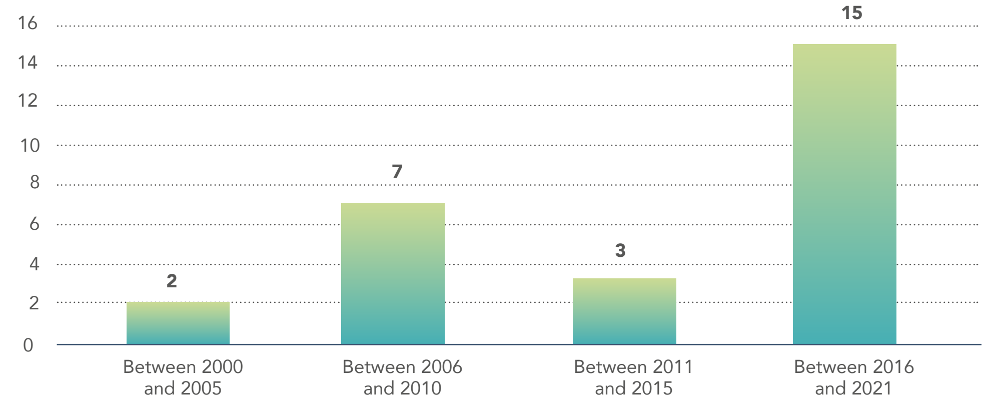
Principal strengths of agricultural companies

- Quality products and international leadership
- Years of experience and community integration
- Commitment to sustainability, organic production, and fair trade
- Large volume of products
- Flexible and adaptable to change
- Professional, responsible, and committed teams

Principal challenges for agricultural companies

- Negative effects of climate change
- Limited resources for marketing, innovation, and entering new markets
- Limited empowerment for the workers' committee
- Decrease in demand for certified products

Agricultural organizations and companies, by first year of fair trade certification



N= 27 (96%)

When it comes to fair trade certification, only 5 organizations (one cooperative and four private companies) of the 22 that reported this information do not have certification for 100% of their production.

In terms of organic certification, only **7** organizations (two small producers' organizations and five private companies) have at least one organic certification. Two of them have certification for **100%** of their production.

They mention adherence to Chilean standards equivalent to those in the European Union and Brazil (3 mentions); EcoCert certification (4); USDA NOP certification in the United States (4); JAS in Japan (3); as well as organic certifications in China (2), Mexico, and South Korea (1 mention).

Fair trade certification costs for foods are variable, from a minimum of **400 euros** (WFTO certification) up to a maximum of **10.000 euros,** with an average of **3.000 euros.**

45% of agricultural organizations pay an annual certification cost of up to **2.000 euros**

40% pay between **2.001 and 5.000 euros**

15% between **5.001 and 10.200 euros**

Note: from a total of 20 (71%) organizations that reported this data.

When it comes to other certifications, 13 organizations confirmed having another national or international certification:

- Global Gap (4 organizations)
- Sustainability Code of the Chilean Wine Industry – Sustentavid (3)
- HACCP (3)
- HALAL (2)
- Rainforest Alliance (2)
- Demeter (2, 1 of which is in process)
- Kosher (1 organization)
- PRIMUS GFS (1)
- Gluten Free (1)
- IFS Protocol (1)
- B Corporation (1)
- LEEP (1)
- ISO 9001 (1)
- Vegan (1)

Of the 28 agricultural organizations, only 11 organizations have an approximate calculation of the investment amount necessary to maintain their certification: the amount comes to an average of 8.231.000 Chilean pesos a year (9.405 euros*). However, the cost of investment varies significantly from a minimum of 571 euros to a maximum of 28.564 euros. As in the case of craft organizations, this type of calculation requires a more in-depth analysis and standardized criteria between the different organizations, which was not possible to do during this study.

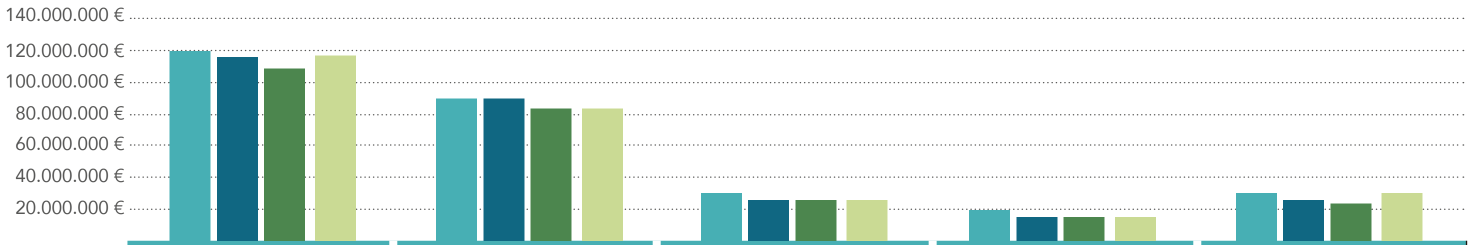
Note (*): The rate from June 30, 2021 was applied here (1 euro = 875.23 Chilean pesos)

Faced with the question, "Could you easily start production of another crop or craft to respond to a change in demand in Europe?" only 7 of 20 organizations answered "Yes". Two organizations specified possible diversification: one mentioned wild autochthonous products that could feasibly be collected (like berries and mushrooms), and another mentioned cherries.

4 of 18 organizations also mentioned that they have received requests from Europe for other products, such as honey drums (not fractional honey like now), Fairtrade and organic wine, almonds, hazelnuts, and raisins.

Between 2018 and 2021, the total amount of sales for fair trade organizations reached a cumulative value of 461.771.450 euros, going from 119.840.779 euros in 2018 to 117.157.429 euros in 2021 – a decrease of 2,24 percentage points. 76% of the cumulative amount reflects exports, which have decreased by 5%. Exports to Europe (EU, UK, and Switzerland) have decreased 16,5% from 30.859.087 euros in 2018 to 25.775.470 euros in 2021. During the four years considered in the survey of this commercial data (2018-2021), fair trade sales have decreased 19,27%, going from 18.594.315 euros in 2018 to 15.012.072 euros in 2021.

Total sales, national sales, exports, exports to Europe, and fair trade certified sales for agricultural companies and organizations (2018-2021)



	TOTAL SALES	EXPORTS	EXPORTS TO EU, UK, AND SWITZERLAND	FAIR TRADE SALES	NATIONAL SALES
2018	119.840.779 €	90.408.377 €	30.859.087 €	18.594.315 €	29.432.405 €
2019	115.732.207 €	89.705.207 €	25.962.951 €	16.152.124 €	26.027.000 €
2020	109.041.036 €	85.181.121 €	26.774.564 €	15.251.802 €	23.859.915 €
2021	117.157.429 €	85.914.850 €	25.775.470 €	15.012.072 €	31.242.576 €

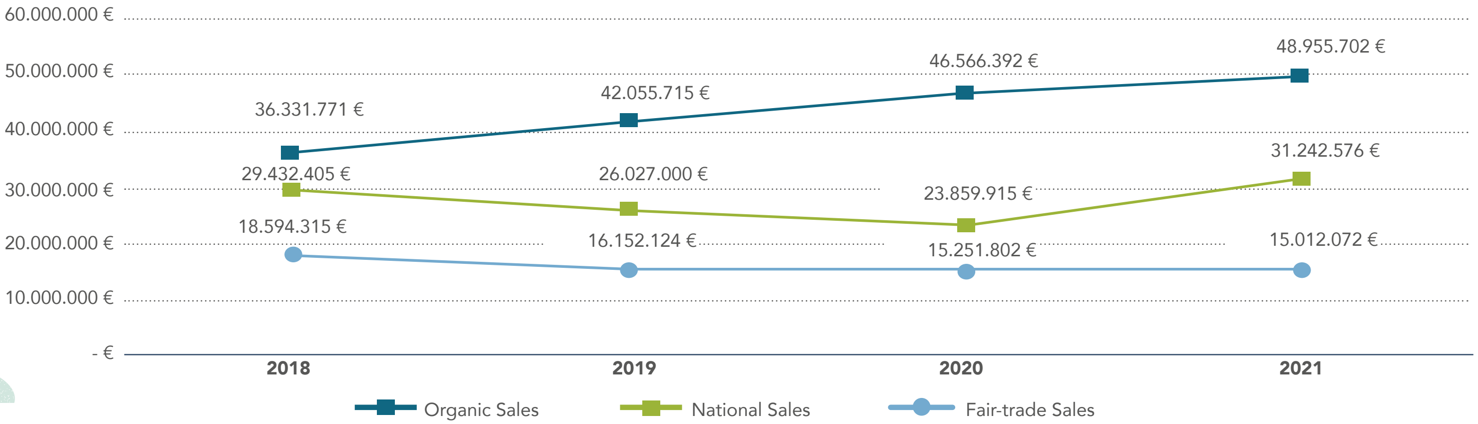
This also resulted in a decrease in fair trade premiums paid to these organizations, from 514.205 euros in 2018 to 370.830 euros in 2021.

Exports to Europe (EU, UK, and Switzerland) amounted to an average of 31,1% of all total export, reaching an aggregate amount of almost 110 million euros between 2018 and 2021.

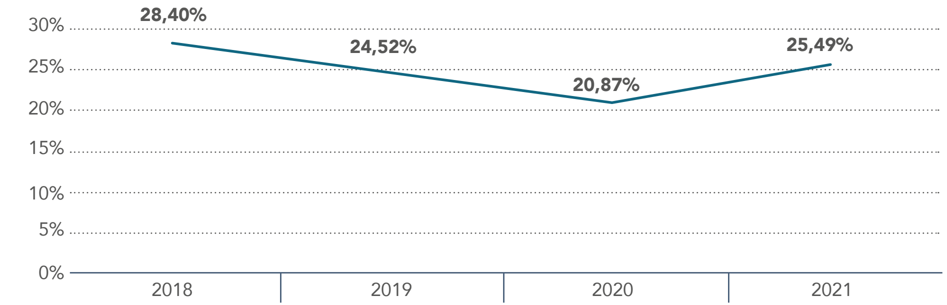
On the other hand, there has been a significant increase in sales of organic products, which recorded an increase of 34,75% between 2018 and 2021, showing a clear trend of commitment to organic products both from buyers and producers. In fact, in 2018, 3 Chilean organizations recorded sales of organic products and by 2021 this number had doubled. In 2018, the sales percentage of organic products out of total sales was 30,32%; in 2021, it reached 41,79%, with a peak of 42,71% in 2020.

After a reduction in national sales between 2018 and 2020, fair trade agricultural organizations and companies have finally recorded growth again in 2021, reaching 31.242.576 euros, 19% more than in 2018.

Variation in national agricultural, organic, and fair trade sales, for the considered agricultural organizations and companies (2018-2021)

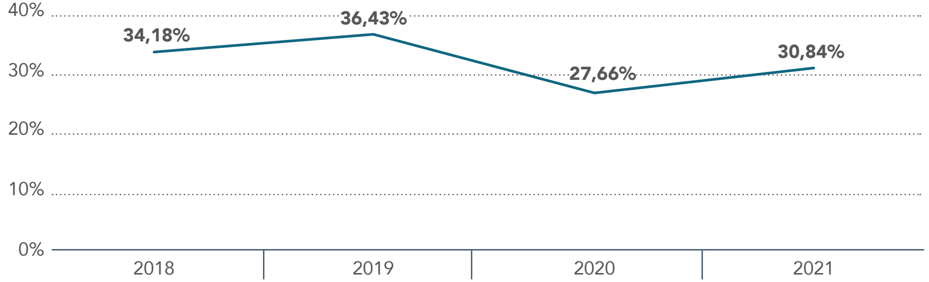


Average percentage of certified sales of agricultural products, out of total sales (2018-2021)



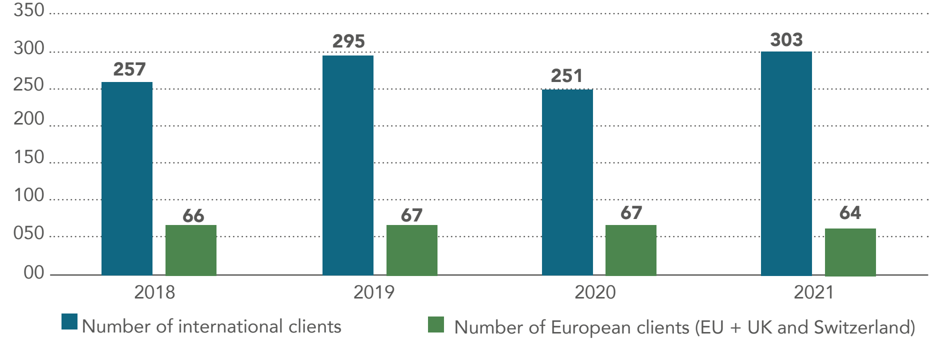
Calculated from the average percentage of certified sales out of the total sales for each organization, the average percentage of fair trade sales out of total sales decreased between 2018 and 2020, and then increased in 2021. However, during the considered time period, there was an overall decrease of 4,25 percentage points.

Average percentage of certified sales of agricultural products out of total exports (2018-2021)



Calculated from the average percentage of certified sales out of the total exports for each organization, the average percentage of fair trade sales out of total exports decreased between 2018 and 2020, and then increased in 2021. However, during the considered time period, there was an overall decrease of 3,34 percentage points.

Number of international and European clients (EU + UK and Switzerland)



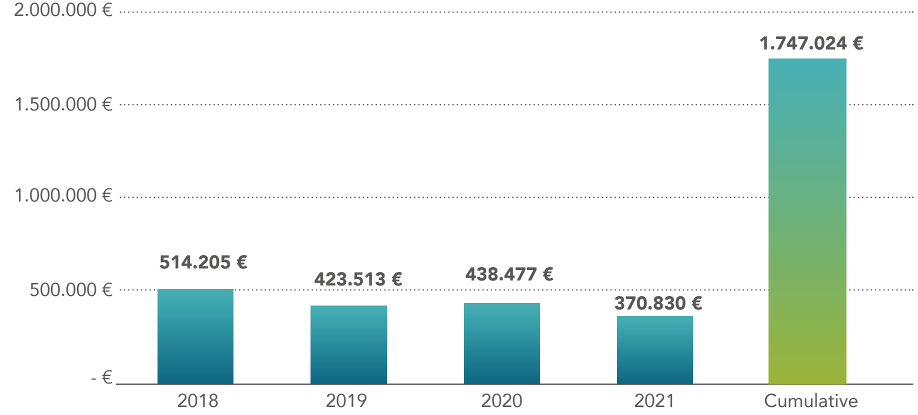
Note: From the information provided by the 17 organizations (out of 28) that report client's data between 2018 and 2021.

Fair trade premium

Between 2018 and 2021, the fair trade premium, paid to agricultural organizations and companies, reached a total of 1.747.024 euros.

From the graph below, you can appreciate that, between 2018 and 2021, there was a 28% decrease.

Total fair trade premium amounts



When gathering information, not all organizations responded regarding how they invested their premium. However, the next section shows comments that were made about investments in different areas and demonstrates a trend in investing in production and health, especially for members and their families.

The "other areas" that the organizations mentioned in their responses include:

- Technical consulting
- Working capital for producers
- Funeral expenses
- Life insurance
- Catastrophic insurance
- Emergency funds for disasters and severe illness
- Economic support for food and collective expenses
- Sports programs, recreational activities, and entertainment for workers and the community

AREAS OF FAIR TRADE PREMIUM INVESTMENT	2017	2018	2019	2020	2021	TOT.
Production and productivity	3	4	4	4	5	**20**
Organization infrastructure	3	2	2	3	3	13
Community infrastructure	2	2	3	3	5	15
Elementary, secondary, and higher education	3	3	2	2	4	14
Professional training	1	1	1	2	2	7
Housing	1	2	1	3	2	9
Health	4	4	4	7	8	**27**
Support for families during the pandemic			1	3	2	6
Environment		1	1		1	3
Certification expenses	1	1			1	3
Other organizational expenses	4	3	3	4	3	17
Other areas	6	7	7	7	7	**34**

4.5.1 Wine

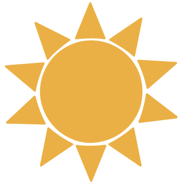
Wine is undoubtedly the most important category of agricultural fair trade in Chile. Of the 28 agricultural organizations considered in this study, 10 organizations produce wine grapes, 7 of which also produce wine. Two others are certified specifically for wine and another for pisco.

Wine-producing organizations export bulk wine as well as bottled red, white, rosé, and alcohol-free wine.

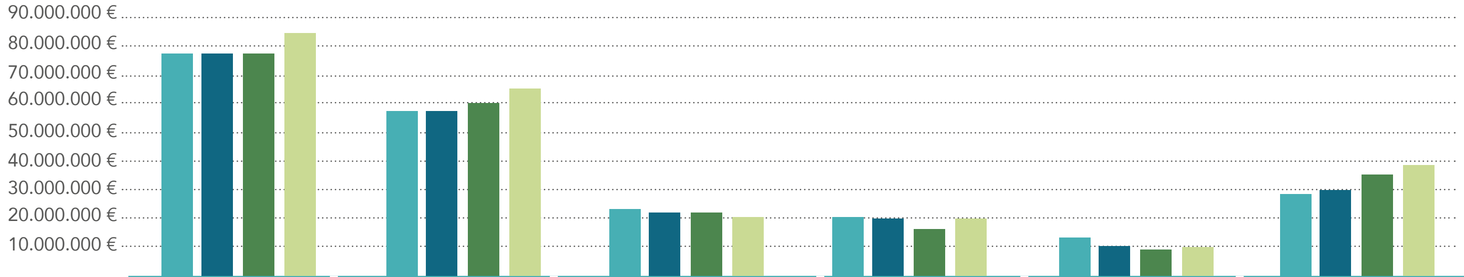
The sales of fair trade certified wine reflected 66,14% of the total aggregate and cumulative amount of certified sales reported by all the agricultural organizations considered during 2018-2021.

Between 2018 and 2021, total wine sales of fair trade organizations reached a cumulative amount of 318.227.009 euros, a growth of 9%. Exports amounts increased 13,25% during these years, from 57.339.851 euros in 2018 to 64.937.486 euros in 2021. However, certified sales have decreased 23,46%, from 12.625.925 euros in 2018 to 9.664.126 euros in 2021.

The percentage of aggregate amounts of all certified fair trade sales, out of total exports, decreased by 4,2 percentage points, from 22% in 2018 to 17,9% in 2021.

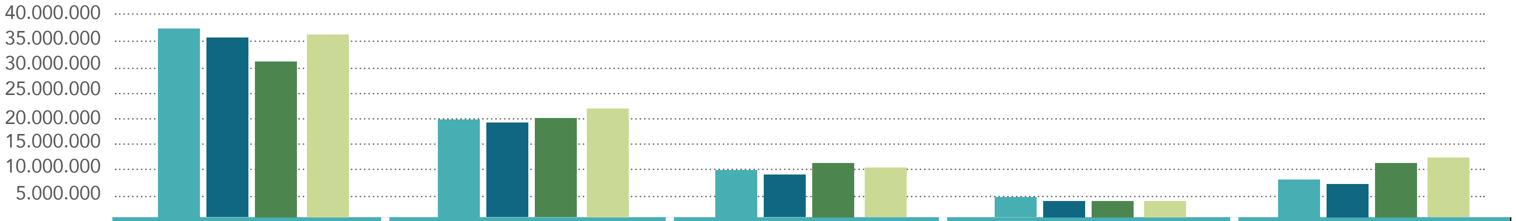


Wine sales by fair trade organizations and companies (euros)



	TOTAL SALES AMOUNTS	EXPORT AMOUNTS	EXPORT AMOUNTS TO EU (AND UK)	NATIONAL SALES AMOUNTS	FAIR-TRADE CERTIFIED SALES AMOUNTS	ORGANIC CERTIFIED SALES AMOUNTS
2018	78.106.221 €	57.339.851 €	23.211.825 €	20.766.373 €	12.625.925 €	28.475.651 €
2019	77.714.653 €	58.100.341 €	21.146.196 €	19.614.312 €	10.930.340 €	29.400.902 €
2020	77.230.508 €	60.412.436 €	22.547.559 €	16.818.072 €	9.777.904 €	35.552.161 €
2021	85.175.627 €	64.937.486 €	21.214.198 €	20.238.140 €	9.664.126 €	39.201.274 €

Wine sales volumes (liters)

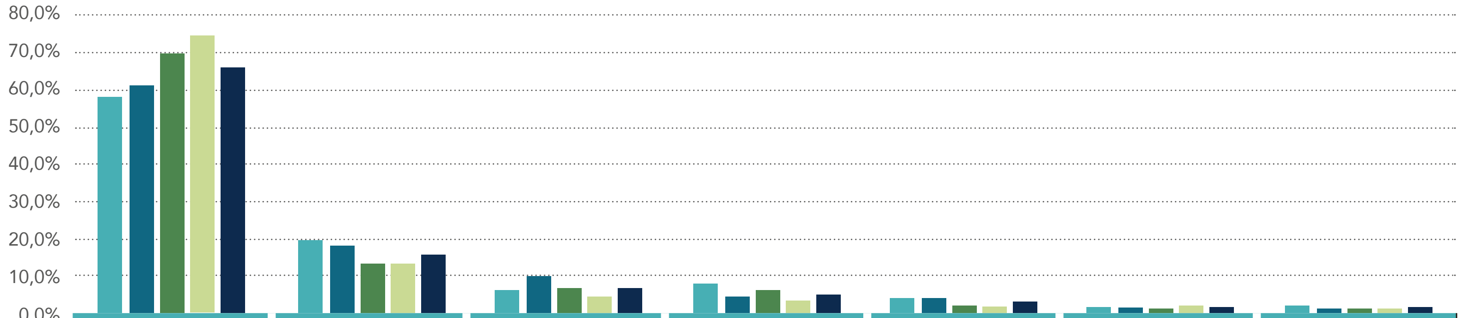


	TOTAL SALES VOLUME	TOTAL EXPORT VOLUME	TOTAL EXPORT VOLUME TO EU (AND UK)	TOTAL FAIR-TRADE SALES VOLUME	TOTAL ORGANIC CERTIFIED SALES VOLUME
2018	37.515.051	19.989.381	9.699.004	4.546.903	8.082.941
2019	35.840.432	18.871.496	9.098.160	4.122.615	7.414.014
2020	31.176.427	20.044.340	11.336.306	4.072.585	11.301.780
2021	36.286.624	21.714.317	10.438.015	4.020.788	12.322.945

Between 2018 and 2021, the cumulative volume of recorded wine sales was almost 141 million liters. Out of an 80.619.000 total export volume, 40.571.485 liters went to Europe (EU and UK) and 16.762.890 liters were sold under fair trade standards. While total sales volumes have changed (staying within a small range except in 2020), the volume of certified sales slightly decreased from a total volume of 4.546.903 liters in 2018 to 4.020.788 liters in 2021. In contrast, volumes of organic wine have increased from 8.082.410 liters in 2018 to 12.322.945 liters in 2021, going from a 22% of total sales volume in 2018 to 34% in 2021, showing a clear upward trend.

Between 2018 and 2021, the average volume of wine exports was 58% of total sales volumes of the fair trade organizations that trade wine. Exports to Europe stayed steady with an average of 29%, but lived a moment of significant increase in 2020, year when they reached 36% of total sales volumes. On the other hand, sales volumes of fair trade wines have stayed steady at a 12% average, and organic sales volumes stayed at 28% during these four years. In terms of export destinations, the information reported by the 6 organizations that export wine shows that Sweden is the number one country in volume of fair trade certified imported wine, representing 74,6% of import volume, followed by Germany (7,8%), Belgium (7,6%), Finland (4,6%), United Kingdom (3%), Netherlands (1,5%), and Ireland (0,9%).

Percentage, for each importing country, of annual sales amount of certified wine exported to European countries (2018-2021)



	SWEDEN	GERMANY	BELGIUM	FINLAND	NETHERLANDS	ENGLAND	IRELAND
2018	58,2%	20,0%	6,3%	7,4%	4,2%	1,6%	2,2%
2019	60,9%	17,2%	9,8%	4,8%	4,2%	1,6%	1,5%
2020	69,9%	13,0%	6,6%	5,8%	2,2%	1,3%	1,2%
2021	74,5%	13,3%	4,4%	3,2%	1,7%	1,9%	0,9%
Average	65,8%	15,9%	6,7%	5,4%	3,1%	1,6%	1,5%

Note: 6 of the 9 organizations that export wine provided amounts and volumes of certified exports by destination country.

While gathering commercial data, we also requested that the fair trade organizations and companies, that export wine, could provide us with a breakdown of sales amounts according to the European destination country for their fair trade certified exports.

Not all the companies could provide this data. However, the graph clearly shows the relative importance of the different destination countries that were mentioned. In an aggregate way for all organizations, and cumulative during the four years considered (from 2018 to 2021), Sweden represented 65,8% of international sales amounts (exports), followed by Germany (15,9%), Belgium (6,7%), Finland (5,4%), Netherlands (3,1%), United Kingdom (1,6%), and Ireland (1,5%).

4.5.2 Table grapes

Among the 28 agricultural fair trade organizations and companies, 5 are certified to market table grapes. However, only 4 reported sales for this product. These four companies are certified by Fair Trade USA and do not have fair trade certified exports to the European market. Nevertheless, it is worth showing some relevant data for this product.

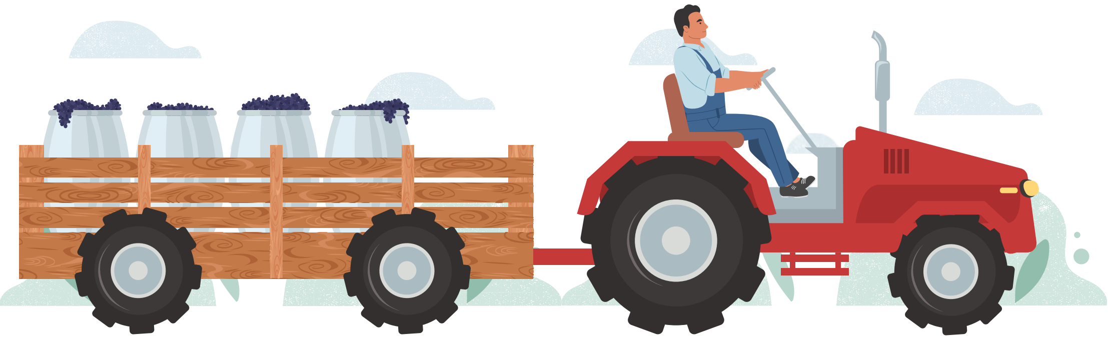
In aggregate, the export volumes for table grapes by fair trade organizations reached a total of 28.235.077 kg between 2018 and 2021 and a cumulative value of 45.306.740 euros.

Although the total export volume of table grapes from the four organizations (in aggregate) have notably decreased between 2018 and 2021, the volume of certified exports has grown 81,6%, from 286.344 kg in 2018 to 520.044 kg in 2021.

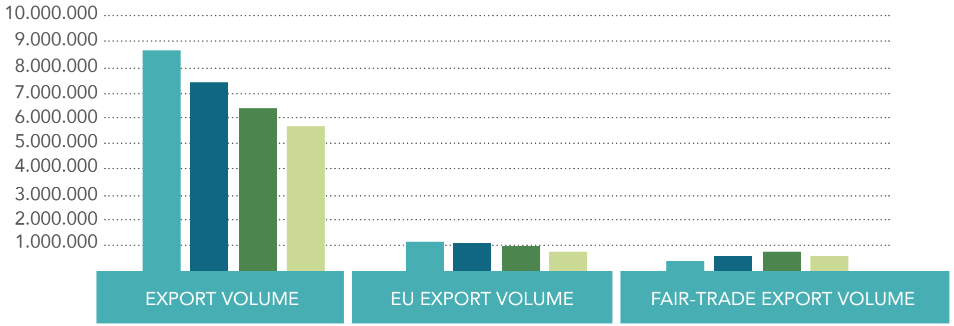
In contrast, the fair trade sales amounts have only grown 13,1% from

252.030 euros in 2018 to 284.994 euros in 2021, with a significant peak in 2019 when the annual certified sales amount reached almost 416.000 euros.

Between 2018 and 2021, the average volume of certified exports represented 7% of the total table grape exports, from 3% in 2018 to 6% in 2019 and 9% in 2020 and 2021. The amount of certified table grape sales represented just 1,66% of all exports in 2018, growing to 3,24% in 2019, 3,55% in 2020, and decreasing to 3,50% in 2021. On the other hand, the amount of sales of fair trade certified table grapes was 1,97% of the total aggregate certified sales amounts reported by all the agricultural organizations that were considered during the period of 2018-2021.

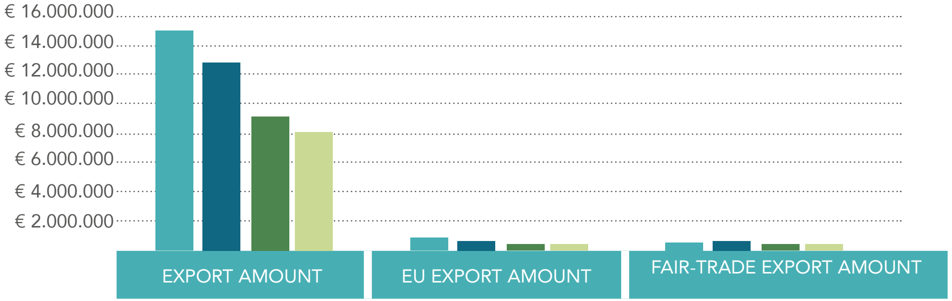


Export volumes of fair trade table grapes (kg)



	EXPORT VOLUME	EU EXPORT VOLUME	FAIR-TRADE EXPORT VOLUME
2018	8.670.271	1.115.922	286.344
2019	7.435.391	964.361	453.025
2020	6.407.323	872.111	605.737
2021	5.722.092	655.623	520.044

Amount of fair trade table grape exports (euros)



	EXPORT AMOUNT	EU EXPORT AMOUNT	FAIR-TRADE EXPORT AMOUNT
2018	€ 15.175.993	€ 672.079	€ 252.030
2019	€ 12.821.244	€ 504.060	€ 415.849
2020	€ 9.168.643	€ 378.045	€ 325.591
2021	€ 8.140.861	€ 294.035	€ 284.994

4.5.3 Honey

Chile has 4 certified honey organizations: 3 cooperatives (Cooperativa Agrícola Apícola Cuenca del Mataquito, Coasba, and Apicoop) and one joint-stock company (Honey Group Chile).

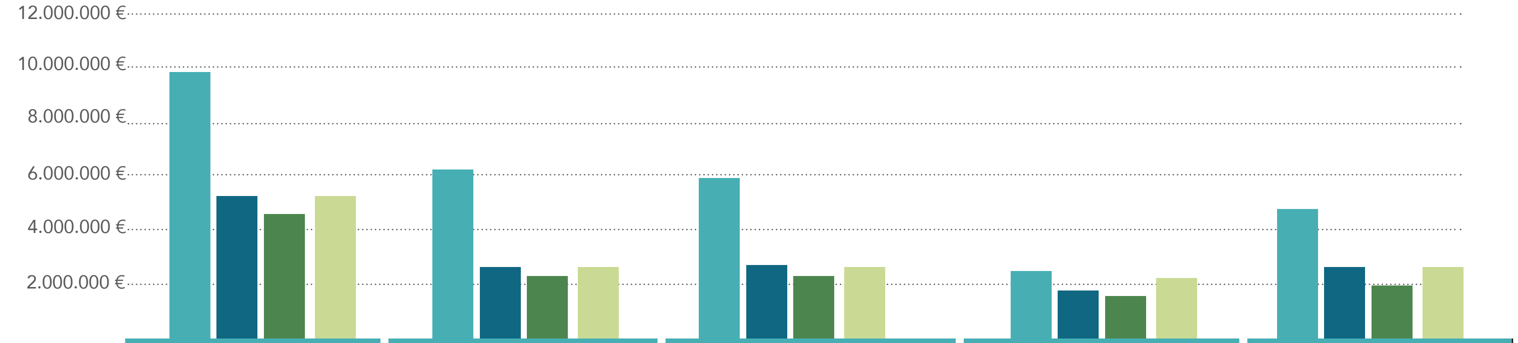
These 4 organizations represent a total of 55.616 beehives, of which 42.116 are certified under fair trade standards (75,7%).

Between 2018 and 2021, total cumulative sales registered at almost 24.900.000 euros, of which 13.500.000 were from European exports (EU and Switzerland) and 12.147.000 euros were from fair trade certified sales. The amount of certified sales has decreased from a value of 4.786.630 euros in 2018 to 2.733.744 euros in 2021. That is, in 2021, the amount of certified sales reached 57% of the 2018 sales amounts.

The average fair trade certified sales, out of total sales, were 48,7% between 2018 and 2021. On the other hand, during the same period, the average certified honey sales out of total exports reached 90,7% and 92,2% out of all exports to European countries.

The amount of fair trade certified honey sales reflects 18,69% of all aggregate certified sales amounts reported by all the agricultural organizations considered during 2018-2021.

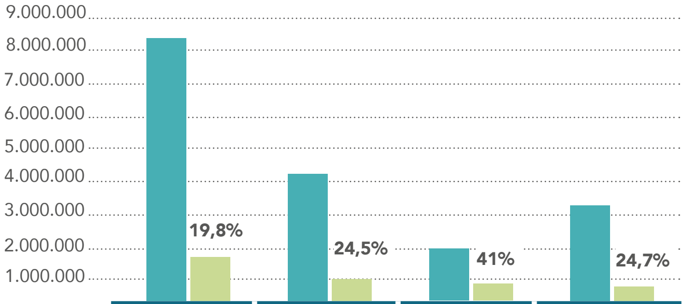
Amounts of national and international certified honey sales



	TOTAL AMOUNT OF SALES	TOTAL AMOUNT OF EXPORTS	TOTAL AMOUNT OF SALES TO EU AND SWITZERLAND	TOTAL AMOUNT OF NATIONAL SALES	TOTAL AMOUNT OF FAIR-TRADE SALES
2018	9.819.120 €	6.206.490 €	5.906.850 €	2.442.991 €	4.786.630 €
2019	5.240.144 €	2.669.553 €	2.669.553 €	1.813.267 €	2.542.177 €
2020	4.550.195 €	2.388.731 €	2.357.479 €	1.517.141 €	2.085.001 €
2021	5.287.572 €	2.643.904 €	2.627.354 €	2.111.669 €	2.733.744 €

Note: Apicoop Cooperative represented 96% of total sales in 2018, 97% in 2019, 98% in 2020, and 96% in 2021. For 2018 and 2020, in terms of exports to the European Union, there are only records from Apicoop

Volumes of national honey exports and fair trade certified exports (in kg)

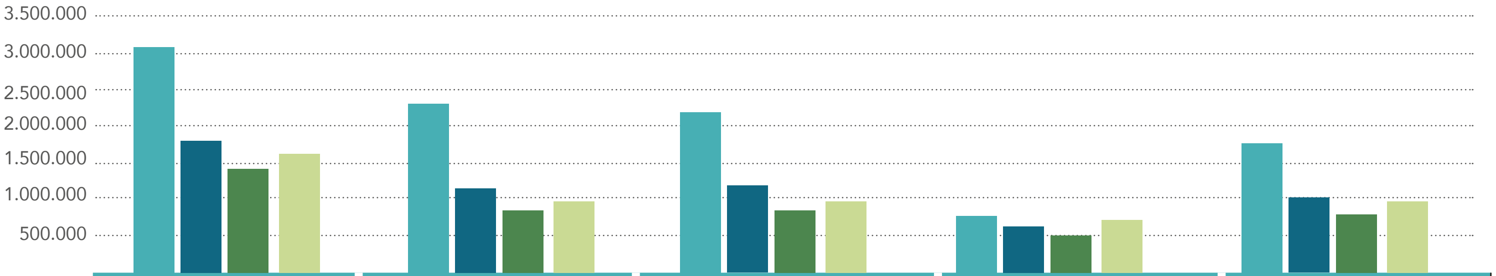


	2018	2019	2020	2021
Total national exports	8.431.712	4.249.839	2.014.938	3.298.375
Fair trade exports	1.669.448	1.040.698	826.397	813.825

Regarding total volumes of Chilean honey exports, fair trade exports reached significant percentages, from 19,8% in 2018 to 24,7% in 2021. In comparison with other fair trade products, honey is the most important in terms of total export volumes at a national level (see annex 2).

Between 2018 and 2021, honey exports from the four fair trade organizations reached the following European countries: Germany, the main importer, followed by Netherlands, Switzerland, France, Italy, Belgium, and Spain. In these four years, the three Fairtrade certified apicultural organizations received approximately 726.000 euros in premiums. From 275.600 in 2018 to 137.000 in 2021.

Volumes of national and international honey sales (in kg)



	TOTAL VOLUME OF SALES	TOTAL VOLUME OF EXPORTS	TOTAL VOLUME OF EXPORTS TO EU (AND SWITZERLAND)	TOTAL VOLUME OF SALES IN THE NATIONAL MARKET	TOTAL VOLUME OF FAIRTRADE SALES
2018	3.055.048	2.247.024	2.247.024	808.024	1.669.448
2019	1.814.573	1.168.698	1.168.698	645.876	1.040.698
2020	1.398.497	888.000	885.000	510.497	826.397
2021	1.595.525	849.561	847.761	745.864	813.825

Note: The Apicoop Cooperative reflected 96% of total sales in 2018, 97% in 2019, 98% in 2020, and 96% in 2021. For 2018 and 2020, in terms of exports to the European Union, there are only records from Apicoop.

As we saw in the case of sales amounts, the data shows a significant decrease in honey sales volumes from Chilean fair trade organizations, with a slight recovery in 2021, mostly due to national sales. However, according to the Apicoop manager, there are still no signals that the national market could be a viable alternative.

In terms of Fairtrade honey, Apicoop cooperative has been very well positioned internationally for a long time. However, their honey is not distributed in retail fractionated formats in the national market.

According to Juan Eduardo, general manager, the national honey market is very depressed and there isn't a really good honey consumption: *«During the pandemic, people understood that it was necessary to eat healthy to strengthen the immune system and that triggered an increase in honey purchases at a national level. However, it seems to have been a short-term trend. Furthermore, the final sales price is reaching levels that make honey somewhat inaccessible. The average consumer, therefore, ends up consuming adulterated honey or products that aren't actually honey. On this point there is an evident institutional weakness in safeguarding the honey that ends up in the market»* (Juan Eduardo Henríquez, interview).

According to Juan Eduardo Henríquez (interview) *producer organizations and networks should organize to promote «a national campaign like other producer guilds have done to increase the country's honey consumption, reduce our exports, and dedicate ourselves to the national market. However, our national network still isn't strong enough to share everyone's resources in this kind of national awareness campaign, even though bees are the ones that have taught us about working and partnering together»* (Juan Eduardo Henríquez, interview).

4.6 Fair trade artisanal fishing

Even though, at the time of conducting this study, there were no certified organizations in Chile, it is important to mention the Capture Fisheries Standard (CFS) of Fair Trade USA because of their future potential. They offer artisanal fishermen the opportunity to put fair trade principles into practice: empowerment, economic development, social responsibility, and environmental stewardship.

CFS applies to groups of fishermen who participate in wild marine and freshwater species capture fishing, and to operations on land (landing sites and the first processor in the origin country), according to standard policies.

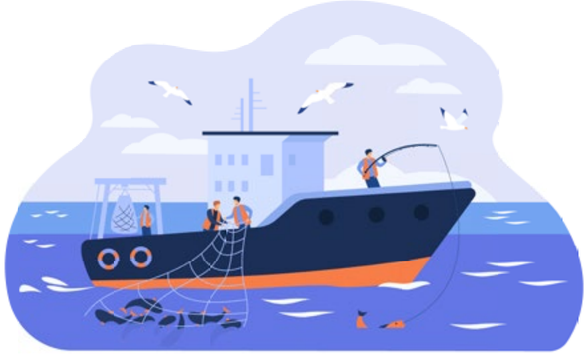
The standard establishes a "Certificate Holder" in the name of one or more entities in the supply chain that can cover a group of vessels/fishers (for example, a cooperative or a fishing association), multiple groups, and/or a processing facility that buys from one or more vessel groups. Ultimately, the Certificate Holder is responsible for CFS compliance and for all the activities and places included in the Certificate's scope.

This Fair Trade USA standard only applies to small- and medium-scale fisheries, based on how much time the fishing vessels spend in the sea. Vessels that fish for 31 or more consecutive days are not certified. This applies to all vessels, whether they have Registered Fishers, crews, or contracted fishermen on board. In the case of vessels that fish for 30 consecutive days or less, fishing operations are divided based on the duration of the fishing trip: short trips (48 hours maximum) and medium-length trips (more than 48 hours and up to 30 days), with more flexible requirements for short trips.

Through the recognition policy for Aquaculture Certification, aquaculture producers can access FTUSA certification under the Agricultural Production Standard (APS), which applies to agricultural production systems worldwide that produce and sell certified products according to Fair Trade USA standards, except for dairy farms, because only dairy farms in the United States are eligible for APS certification.

From the launch of CFS in 2014 and APS certification for apicultural producers in 2018, Fair Trade USA has received a lot of attention from different fish and aquaculture producers in Latin America. At the end of 2022, there were two companies in the region with certification, one in Colombia and another in Honduras, as well as three certificate holders in capture fishing, two in Mexico and one in Ecuador. There are also two companies in the United States, certified under the Capture Fisheries Standard.

In 2019, the Chinquihue Foundation in Chile promoted the certification process under the Capture Fisheries Standard with the "Río Maullín" Worker's Syndicate for Independent Artisanal Fishers, Divers, Diving Assistants, Shell fishers and Related Industries and with the Carelmapu Fishers Cooperative Ltd. to market the "Loco" (Chilean abalone). This group decided to voluntarily and temporarily leave the Fair Trade Program, but has expressed interest in regaining its certification when conditions are more favorable, since it hasn't been able to cement exports certified under the standard. Additionally, two other Chilean groups, one razor clam producer and one crab producer, have expressed interest in CFS certification and two farmed salmon producers are interested in APS certification. Fair Trade USA has provided all interested groups with information about fair trade, an introduction to specific standards and their requirements, as well as the benefits for fishers and workers.



Currently, most fish and aquaculture products with Fair Trade USA certification are sold to the United States. However, there are some that are sold to Europe (for example, artisanally fished tuna from the Indo-Pacific region). It is currently the only fair-trade certification for fish and aquaculture, and it is an emerging market[44].

For a country like Chile, there is great potential for growth, as long as it is able to coordinate the necessary public-private alliances to promote its start and give it an initial boost into the market; on the one hand, through economic and technical support, so that organizations can prepare and be certified; on the other, through market projections and connections with possible buyers in Europe and the United States, the main destinations for Chilean fair trade products.

To conclude this section, it is important to mention that, based on Law No. 21.069 of February 15, 2018, INDESPA, the National Institute on Sustainable Artisanal Fishing and Small-Scale Aquaculture Development (Instituto Nacional de Desarrollo Sustentable de la Pesca Artesanal y de la Acuicultura de Pequeña Escala) was created in Chile. This institute began working in August 2019 with headquarters in Valparaíso. Dependent on the Ministry of Economy, Promotion and Tourism, INDESPA's mission is to promote sustainable development of artisanal fishing and small-scale aquaculture, from production to *«fair trade benefitting men and women […], their organizations, fishing bays, and surroundings»*[45].

One of the messages from President Boric's first Public Account Speech focused on improving the Institute's support mechanisms. He highlighted that *«Chile has a debt to its citizens of the ocean»* which is why there will be construction of new fishing bays and work toward more sustainable aquaculture practices, *«that combine economic benefits and inclusive development through local job creation with a long-term vision»* (Boric Font, G., 2022: 38) and the highest standards of preservation and environmental protection.

4.7 Results of the general survey to fair trade organizations in Chile

All fair trade producer organizations and companies in Chile (43 total) were given a general perception survey regarding fair trade relationships with countries of the European Union, and their main challenges. 41 organizations responded. In this section, we will present the survey results (totals and by category – craft and agricultural), interspersed with important comments from several interviews, all related to the topics addressed in the survey's questions.

4.7.1 ¿Cómo considera las relaciones How do you consider your fair trade relationship with buyers from the European Union?

Of the 41 organizations that responded to the survey, 19 (46,3%) did not have commercial relationships with countries in the European Union – a significant number. Of the other 22, 5 considered their relationships to be positive (12,2%) and another 6 described them as regular (14,6%).

Of the craft organizations, 7 (47%) have relationships with buyers from the EU and 8 (53%) do not. Among those that do, 5 consider their relationships to be "positive" or "very positive" and 2 describe them as regular. Of the 24 responses from agricultural organizations[46], 9 (38%) still did not have relations with EU buyers, 3 (13%) considered them to be very positive, 8 (33%) described them as positive, and 4 (17%) as regular. Although there were no negative perceptions about fair trade relations with European countries, there is concern about the current global situation of the movement. This concern is also expressed in comments by Rodrigo Constandil, Submanager of Sustainability and Certification at the company Miguel Torres:

«For our company, fair trade is a different way of doing business, where everyone wins. This is why we started getting involved in it 12 years ago with a lot of

[44] Naturland, an organization that promotes fair trade (as we saw from the contents of the "International Guide to Fair Trade Labels"), certifies ecological aquacultural operations and sustainable fisheries that produce more than a dozen different sea products. At the end of 2022, in Latin America, there were shrimping operations (three in Ecuador and one in Peru) and one lobster trapping operation in Honduras. For more information, see:: https://www.naturland.de/es/naturland/lo-que-representamos/pescado-y-marisco.html

[45] https://www.indespa.cl/indespa/

[46] Ximena Berríos of ProntoExport answered for the following three Fair Trade USA certified companies: Agrícola Valle Aconcagua Ltda - Fundo Los Graneros, Agrícola Valle Centro Ltda - Fundo El Olivo, and Huertos Carmen Sociedad Agrícola Ltda".

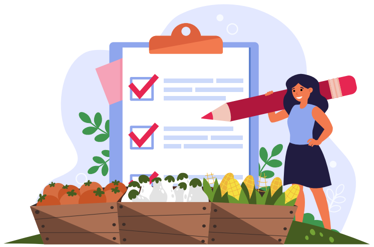
enthusiasm. However, today we feel that it doesn't have the international presence that we hoped for, which leads us to reconsider how to keep participating. Even in Nordic countries, where we thought there could be increasingly significant market options, the market trend is really quite stable now, after a few years of growth at the beginning. I think there will always be tension between the desire to have a fair trade wine that positively impacts the producer community and the need to stay within a certain range of prices. Price tension is what ultimately constrains business, even in fair trade channels» (Rodrigo Constandil, interview).

According to Felipe Zúñiga (interview)), the strength of the fair trade message has become too diluted, *«especially because of the different focuses and stakeholders that have joined […]. The concern for giving back through fair trade is no longer clear, and it is mixed up with messages of corporate social responsibility and sustainability, which aren't always concrete. Also, the subjects of climate change, environmental sustainability, and renewable energies are the ones that take precedence today, messages that new generations identify more»*, perhaps without seeing their direct connection with what we eat every day.

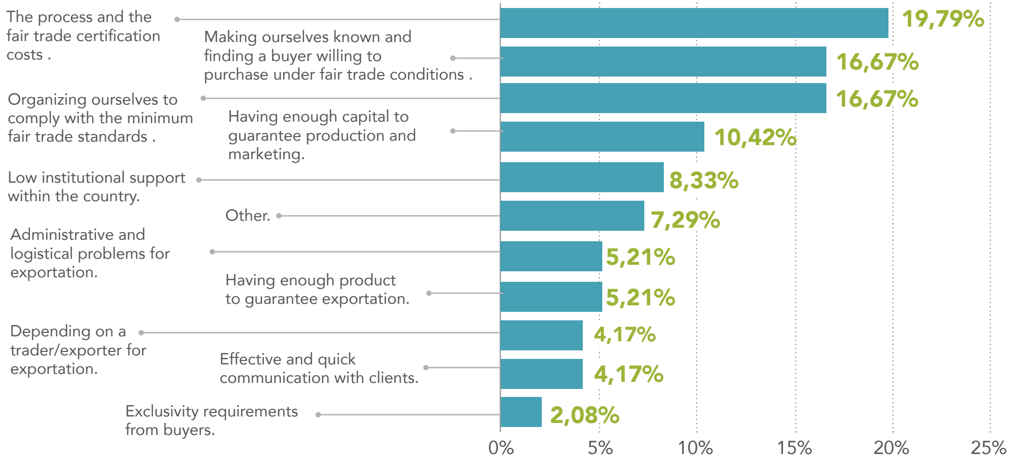
Among agricultural organizations, there are four companies certified under the Fair Trade USA framework and that export certified products to the United States market. However, they are also exporting products to various EU countries, and they want to strengthen this European commercial channel and take advantage of their certification: *«We want to continue including new fields and new varieties in this certification to respond to our clients' necessities and requirements. We want to continue working in fair trade and establishing relationships with other clients and buyers in Europe, a very attractive market that offers alternatives to the markets where we are currently present, such as the United States and Asia. And we are certainly committed to treating our workers well, which is why Fair Trade USA has been important and well regarded»* (Ximena Berríos, interview).

4.7.2 What were the main challenges that your organization/company lived, at the beginning, to start participating in fair trade?

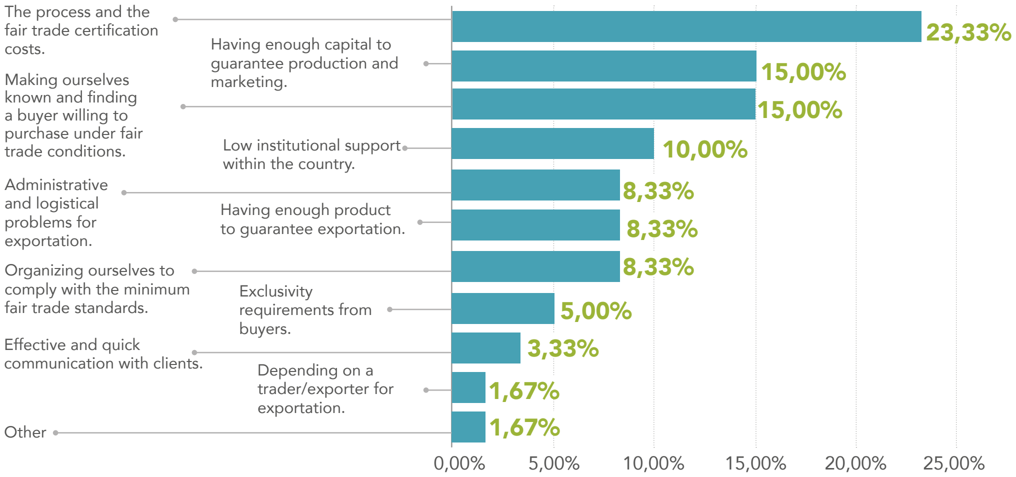
Of the 41 survey participants, 33 said that the main problem was "The process and the fair trade certification costs" In second place was "Making ourselves known and finding a buyer willing to purchase under fair trade conditions" (24 mentions). In third place was "Organizing ourselves to comply with the minimum fair trade standards" (22).



Initial challenges: answers of agricultural organizations



Initial challenges: answers of craft organizations



4.7.3 ¿In your opinion, what are the main barriers to export to the European Union?

The comments received from handicraft organizations included:

- Increased production costs don't allow competitive prices in the international craft market. European buyers ask for prices, from Chilean artisans, that are similar to Africa or Asia, without considering distance or quality, and end up favoring other crafts of possibly lower quality.

- Production volumes that are too low for a competitive exportation.

- The costs of shipping from Chile are too high. There should be better tariffs for micro and small companies and for fair trade, social economy, and cooperative organizations. This logistical price is especially high for products of higher weight, like wool rugs.

- The designs of craft products don't always match consumers' tastes and desires. In this sense, there is a need for more artistic support with a market vision from the demand side

- Little knowledge of the international craft market, potential clients, and lack of technical knowledge regarding exportation.

- Little guidance and low institutional support for smaller organizations regarding exportation other than specific invitations to participate in international fairs.

Soledad Valdés of ProChile points to associativity and coordination between different groups of artisans to overcome market barriers.

«Associativity continues to be an important element for accessing markets. In the agricultural world it is easier to promote, but we must promote it more in the craft world, by bringing together the interests of various craft groups and managing international and national marketing collectively while strengthening new leadership» (Soledad Valdés, interview).

Finally, the lack of specialized certifications is also a barrier to exportation: *«For those of us who work in textiles with natural dyes, for example, there is a concrete need for certification that validates this type of craft work if we want to broaden the sales channels within the European market. But it is complicated and requires more investment. For example, we are interested in OEKO-TEX certification, but we need a business partner who truly believes in our products to support us in opening new niche markets»* (Susana Ortiz, interview).

On the other hand, agricultural organizations and companies highlight the following barriers:

- Costs of exportation from Chile.
- Shipping logistics, which wasn't a problem before.
- The growing number of certifications required from buyers.
- The lower number of buyers committed to fair trade and Chilean products.
- The low prices that buyers want to pay.
- High competition with countries closer to Europe, especially in terms of fruit.
- Language and communication barriers.
- The slow certification process.
- Honey processing plants that must comply with standards for exportation to EU.

Regarding this last element, according to Julio Cáceres (entrevista), there is discord between what the Agriculture and Livestock Service (Servicio Agrícola y Ganadero, SAG) asks for, based on EU requirements, and the requirements of the Ministry of Health in terms of health regulations for this type of warehouse: «*We rush to meet European standards, but there is an internal divide between the requirements of various public institutions. This makes investment in infrastructure that can't be used to export to the EU progressively stray from its objectives and they stop maintaining necessary conditions*».

In the apiculture category, INDAP information showed us that, at the end of 2022, there were only 11 warehouses in the country authorized by SAG for storing honey for exportation to EU, for human use and/or consumption. These warehouses must be registered in SAG's National List of Animal Product Exporting Establishments (Listado Nacional de Establecimientos Exportadores de Productos Pecuarios, LEEPP).[47] Most of them belong to export companies that buy bulk honey from various apicultural groups, thus harnessing their exportation potential. But the list also considers the Apicoop and Coasba, both included in this study.

«*For many small producers' organizations that we work with in the Maule region, the main difficulties in exporting continue to be: having the volumes necessary for exportation to be feasible, guaranteeing logistics, and offering a competitive price in international markets*» (Julio Cáceres, interview).

In this sense, partnership between beekeepers is very important, as well as the alliances that can be established between non-organized beekeepers and companies that are registered in the LEEPP for export to the EU.

Finally, Víctor Aguilera (interview), former general manager of the Sociedad Vitivinícola Sagrada Familia S.A. ("Vinos Lautaro"), a fair trade organization included in this study, summarizes the main barriers this way: «*The most complicated thing for small producers' organizations is finding commercial contacts for their products. Then, if they find them, they start getting to know each other and then, the hard part is how to truly meet the potential client's requirements, such as adjusting prices, guaranteeing the quality of the product, using sustainable packaging, and how to quickly adapt to international market trends. Add this to the cultural and language barriers that, for small companies and small producers' associations, is all too relevant*» (Víctor Aguilera, interview).

4.7.4 ¿What recommendations would you give to facilitate fair trade exports between Chile and the European Union?

In their survey responses, agricultural organizations mainly indicated the following recommendations:

- Receive updated information about the European buyers and importers that are looking for Chilean fair trade products, as well as information about producers for those clients;
- CLAC personnel in Chile should directly channel communication from buyers to producers.

[47] See: https://www.sag.gob.cl/ambitos-de-accion/requisitos-para-los-establecimientos-exportadores-de-miel-reem

- Organize periodic virtual meetings between producers and buyers.

- Greater dissemination in Europe about the reality of Chilean producers.

- Tax benefits in Europe for buyers and importers that import certified products.

- Greater support to products in terms of quality, safety, sustainable packaging and normative compliance.

- Promote Chilean fair trade products in the Country Brand (Marca País) positioning strategies.

Among agricultural organizations, there is the sense that not enough is being done to strengthen fair trade relationships between Chile and the European Union. The need to further the work from the demand side is very present among Chilean fair trade organizations. And this requires clear narratives for consumers: *«In our case, the volume that we can sell in Fairtrade conditions is truly minimal. For certain products, fair trade options are still limited because the products aren't very important within the system. So the work of opening the market must go further to attract new clients and establish new alliances. Like you said, we can take advantage of industry interest in composite products to include "minor" products, like nuts among others, in manufacturing. One time, we tried to do it, but the prices that the buyers offered us didn't meet our needs; and since it was about finished products, in the end the buyer looked for cheaper and lower-quality nuts»* (Bella Villareal, interview).

As Felipe Zúñiga commented, in the last few years there has been a weakening on the demand side for fair trade products, *«and this creates supply saturation, where fair trade producer organizations can't place their products in certified channels. Added to this, it is impossible for the consumer to clearly distinguish if certified raw materials come from a small producers' organization or a private company that employs agricultural workers, which creates confusion and mistrust towards the brand»* (Felipe Zúñiga, interview), especially among the most responsible and informed consumers. According to Felipe, there are also few advances in terms of value-adding, which halts the opening of local fair trade niche markets: *«However, the most urgent task today is to streamline exports that guarantee fair prices and premiums to make the organizations' agricultural and commercial activities sustainable. But it is complicated to continue to broaden the supply from the South if the demand in the North doesn't adequately respond. Even more so in an uncertain global scenario»* (Felipe Zúñiga, interview).

For their part, handicraft organizations especially recommend:

- More and better trade connections.

- Recognizing the reality of Chile (quality of products and high cost of living) to create commercial agreements that consider these characteristics.

- More governmental and financial support, subsidies, and preferential tariffs.

- More information about the market and demand for craft products.

- Legal and logistical advice to facilitate exports.

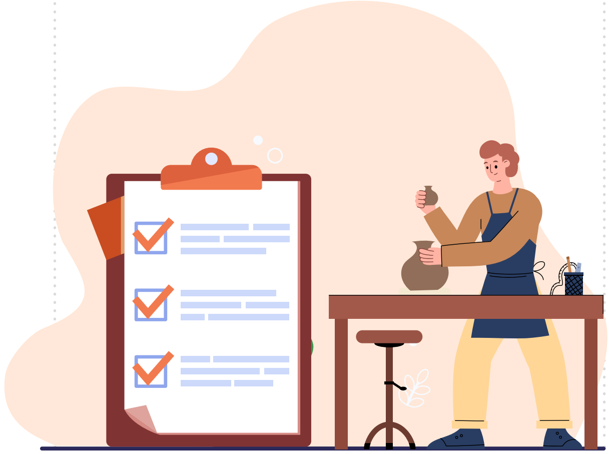
«We at Witral have participated in positioning activities, but we still need concrete action to identify international markets, especially to understand what products actually have the potential for exportation. We need support to truly know where and to whom trading our wools» (Lorena Soto, interview).

According to Lorena, this lack of support could discourage entrepreneurs from participating in fair trade because they feel they won't make progress with their international business relationships.

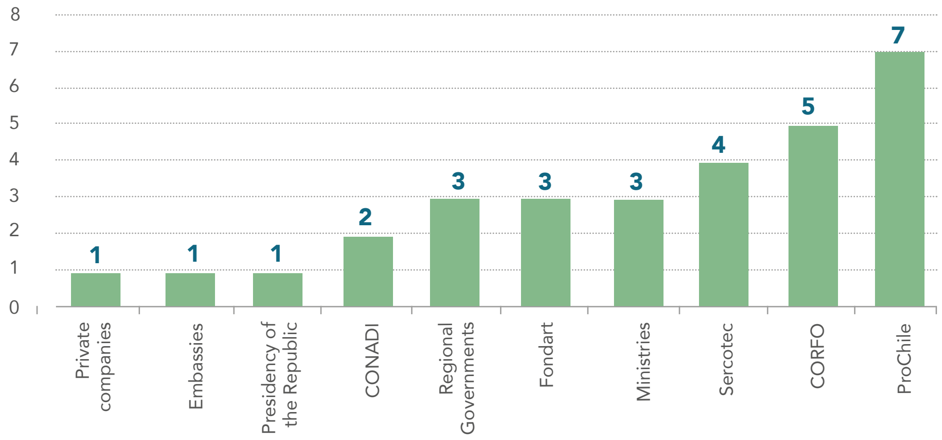
4.7.5 ¿During its development, has your organization/company received support from public or private institutions in Chile?

Among the 40 organizations that responded to this question, 22 to answered positively (55%) and 18 negatively (45%). Of the agricultural organizations, 10 said yes (43%) and 13 said no (57%). Among handicraft organizations, 12 (80%) indicated having received support and 3 (20%) not.

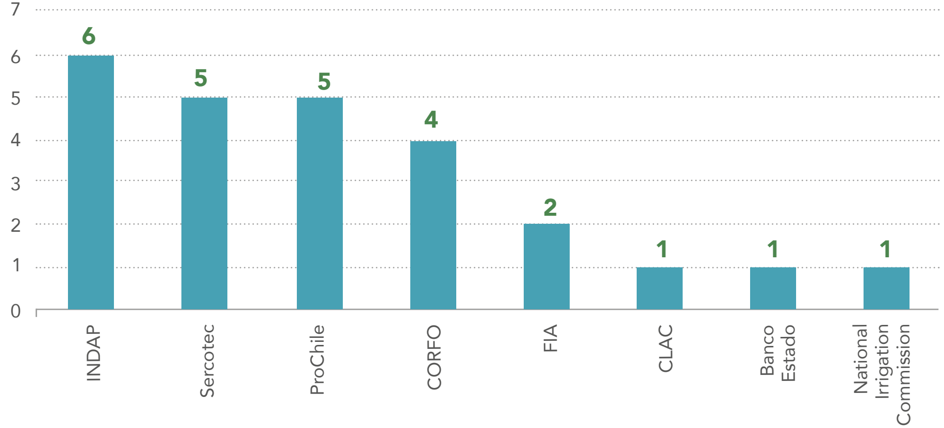
«Besides offering a business platform, Witral trains women with the goal of stimulating and keeping the craft trade alive. INDAP has been fundamental in guaranteeing this constant support by covering a large portion of our costs and by fostering business connections. We sell our products nationally thanks to the online platform. But without government support, it would be very difficult to do the work we do» (Relmu Witral, interview). *«From the beginning, the Relmu Witral Association has received support from various public and private institutions like INDAP, CORFO, Fondart, Alquimia Foundation and different municipalities. The Mapuche women have been empowered and are no longer totally dependent on their husbands. However, they can't depend solely on craft activities. They have to engage in other activities to sustain their homes»* (Relmu Witral, interview).



Institutional support: answers of craft organizations



Institutional support: answers of agricultural organizations



It is only mentioned once, however in the last few years, support from the Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC) has been important for several fair trade organizations. The pandemic arrived just as some developing organizations were thinking about taking new steps *«but they weren't prepared to face the pandemic, especially in terms of acquiring supplies and contracting labor at a much higher cost, or organizing online sales for the national market. In fact, several organizations in Chile and in the region received CLAC-Fairtrade relief funds to better withstand the pandemic»* (Ingrid Allende, interview). The pandemic also meant strengthening ties that before might not have been as strong among producers but, because of the contingency, almost by obligation, were strengthened again: *«They had to reinforce internal communication, reestablish trust, do things more inclusively, and engage in activities without financial recourse. They also had to organize internally to guarantee the harvest, since the workforce was unavailable or too expensive during the pandemic»* (Ingrid Allende, interview).

4.7.6 ¿What programs or projects with public or private institutions in Chile has your organization/ company participated in?

Craft organizations mentioned several programs and projects, including:

- International fairs (like Ambiente and NY NOW) with support from ProChile
- Fairs organized by the Fair Trade Association of Chile.
- Technological Mission in the Netherlands, with support from CORFO.
- Sercotec's Project "Reactívate".
- INDAP's Productive Alliances Program and Organizational Management and Support Program (Progyso).
- Programs with the Ministry of Culture, Arts and Heritage (like Fondart).
- Support from CONDADI and INDAP to promote production and remodel stores.
- Programs to reactivate the craft sector, promoted by several Regional Governments like Ñuble, La Araucanía, Biobío, Los Ríos, and Los Lagos.

Agricultural organizations, on the other hand, mentioned:

- Commercial missions and prospecting trips in Europe and the United States with ProChile and EuroChile.
- Market Research with CORFO.
- INDAP Productive Alliances.;
- Sertec's "Capital Semilla", "Fortalecimiento Asociativo", and "Proyecto Juntos".
- Innovation Program with the Agrarian Innovation Foundation (FIA).
- Associativity Promotion Projects with CORFO.
- Fairs at Alto Las Condes mall.

4.7.7 ¿Has your organization/company participated in international fairs in Europe?

23 organizations responded positively and 17 negatively. Among the agricultural organizations, 13 said yes (57%) and 10 said no (43%). Ten craft organizations (67%) indicated having participated, while 5 (33%) responded negatively.

The main countries where craft organizations mentioned having attended international fairs were Germany (7) and Italy (6). One organization also mentioned having attended fairs in Belgium, the United Kingdom, France, and Spain, and one in the Netherlands. Of the 10 craft organizations that participated in international fairs, only 4 said that their participation resulted in new export contracts. Agricultural companies and organizations mentioned the following countries: Germany (7), Spain and France (4), United Kingdom (3), Belgium and Italy (2), and Netherlands (1). Of the 13 that participated, 6 confirmed having established a new export contract as a result of the participation in those fairs, and the other 7 did not: *«We strongly believe in participating in the most prominent international fairs. Connecting with buyers, importers, and other producers enriches our work and allows us to learn about other experiences, be up to date with the times, and continue innovating»* (Ximena Berríos, interview).

4.7.8 ¿In your opinion, what are the main benefits of participating in fair trade business relationships?

In general, the three main benefits mentioned were: "Establishing and maintaining transparent, long-term business relationships" (27 mentions), "Receiving a fairer price for products" (25), and "Continuing to work sustainably in agriculture or craft activities" (24). A fourth point with fewer mentions was organizational strengthening (16), which is essential for the movement.

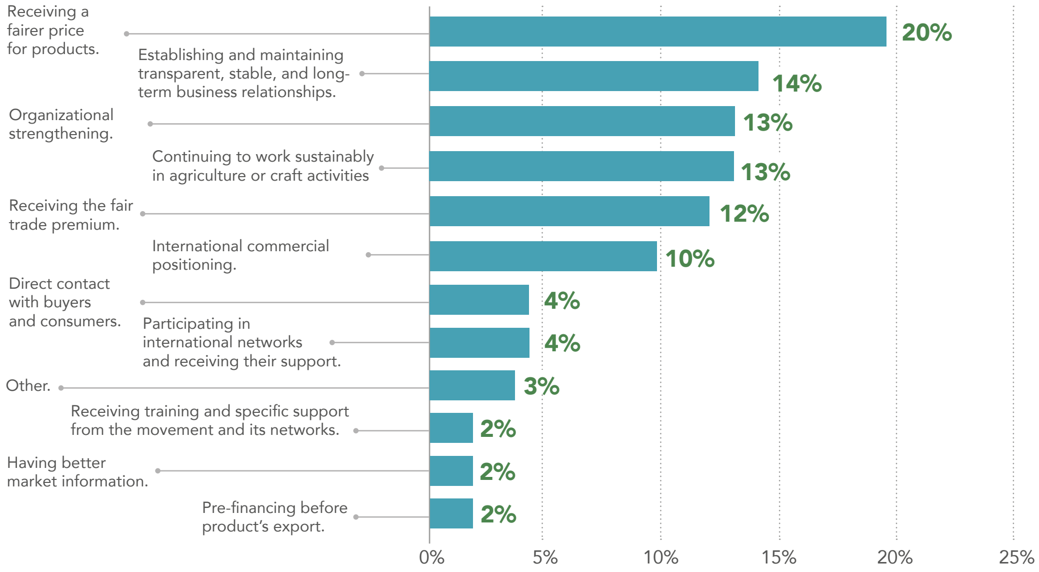
Among agricultural companies and organizations prevails receiving a fairer price (20%), establishing and maintaining more transparent, stable, and long-term relations (14%), strengthen their organization more, and continue to work in sustainable agriculture (13% each).

The benefits are evident not only for small producers' organizations but also for private companies that employ agricultural workers.

According to Ximena Berrío of ProntoExport, company that sells products from three Fair Trade USA-certified companies (Agrícola Valle Aconcagua - Fundo Los Graneros, Agrícola Valle Centro - Fundo El Olivo, and Huertos Carmen Sociedad Agrícola), implementing fair trade standards hasn't been complex, especially because in terms of social legislation and worker's rights in Chilean rural areas, there are good regulations that comply with international laws and treaties. One of the main impacts of certification framework, that she identified, was that *«workers' commitments to the company and the quality of products have changed significantly, because now workers know that a demanding client generates direct benefits for them through the fair trade premium.*

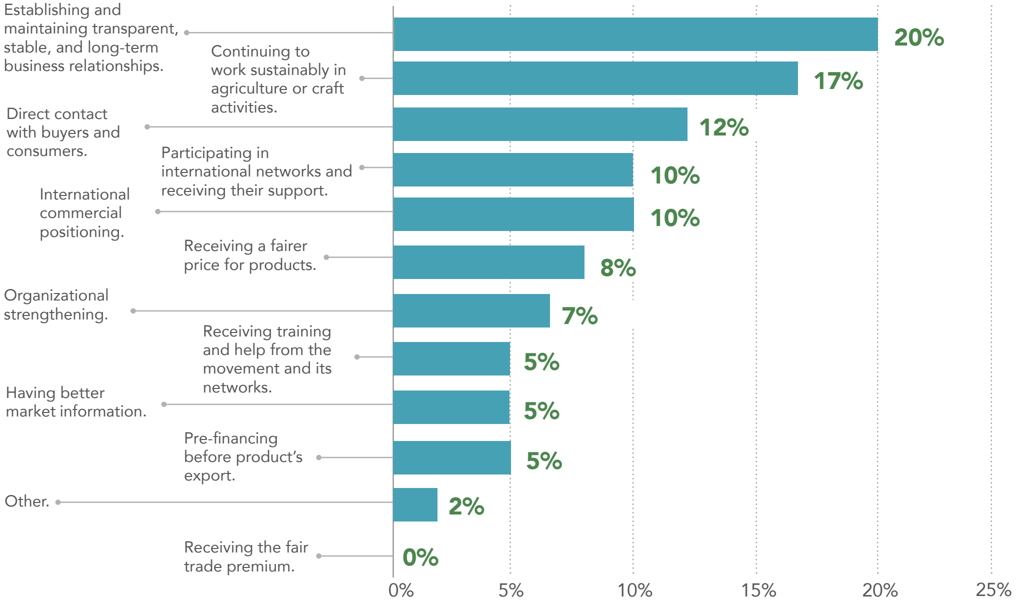
Initially, there was some distrust from the workers. But after their first experiences, all the workers have understood the importance of fair trade and have directly seen the benefit for farming people and families. These were especially important during the pandemic» (Ximena Berríos, interview).

Benefits of fair trade: answers from agricultural organizations



The main benefits of fair trade business relationships for craft marketing organizations, on the other hand, were establishing and maintaining transparent, stable, and long-term business relationships (11 mentions), followed by continuing to work sustainably in craft activities (9), and connecting directly with buyers and consumers (7).

Benefits of fair trade: answers from craft organizations

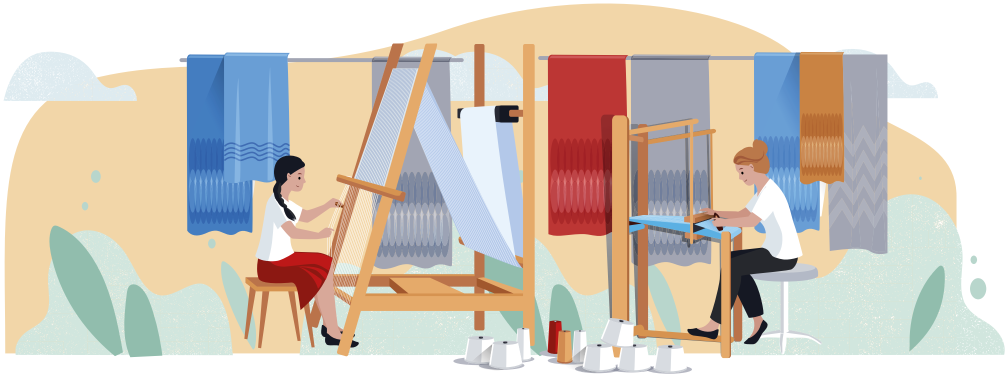


Note: Remember that the WFTO framework does not consider the premium payment separately.

No organization indicated receiving the fair-trade premium as one of the 4 main benefits because in the WFTO fair trade system, the premium payment isn't separate, but rather all the economic benefits are considered in the price negotiated between parties.

«I work with horsehair, a heritage art in Chile for two hundred years. Thanks to Beas and Tapia, my products have participated in international fair trade circuits, resulting in income that truly respects and values the time that we as artisans dedicate to our trade. Also, international fair trade orders allow us to plan our work throughout the year much better» (Nancy Cortínez, interview).

Empowering disadvantaged groups like rural women is also considered one of the main benefits of working under fair trade principles: *«EThe main objective at the Chol Chol Foundation has always been socioeconomic empowerment for women, their partnerships, and valuing the craft trade. In this sense, support from institutions and from fair trade stakeholders has been fundamental for carrying out our mission»* (Susana Ortiz, interview).



4.7.9 ¿What are the main challenges for your organization/company today?

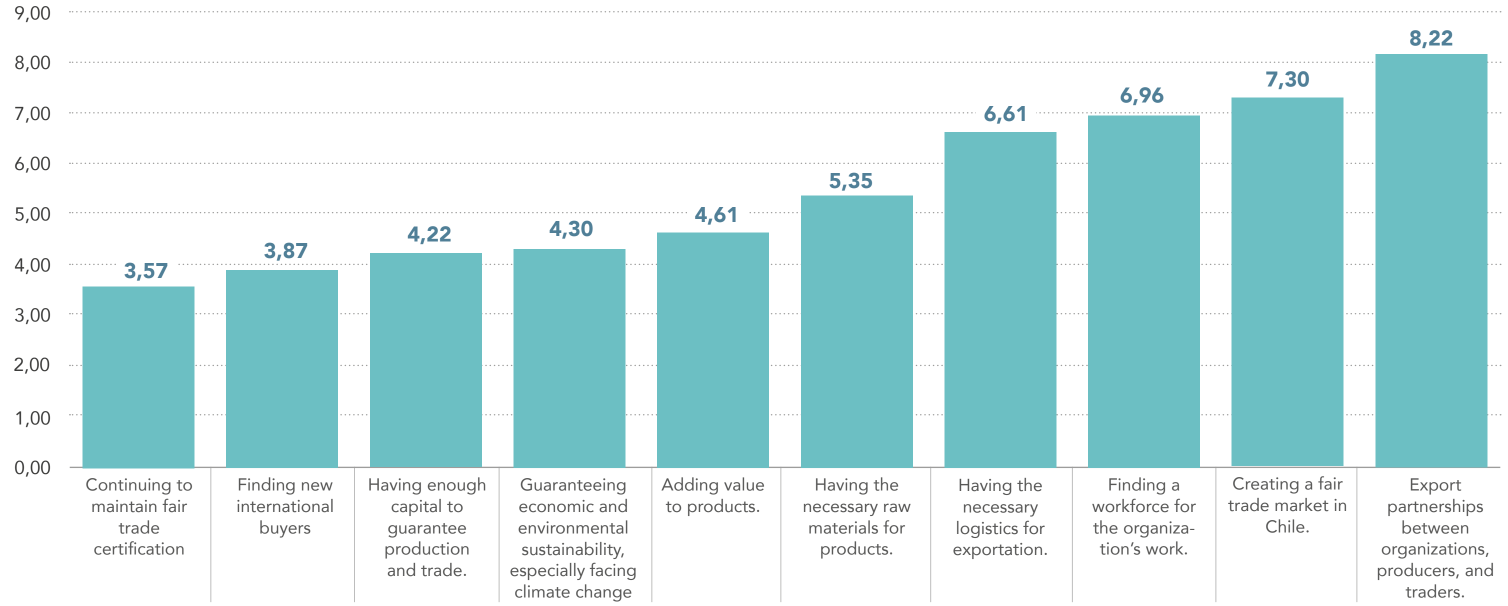
Based on the survey, agricultural companies and organizations highlighted the challenges shown in the graph.

Interviews also confirmed the challenges of trade and of climate change, also adding the intergenerational sustainability that wasn't among the options included in the study.

«Those of us in the Choapa province are in a very critical situation. In fact, the whole Coquimbo region is the most affected in terms of water scarcity. We have been experiencing drought for 14 years. In the last few years, we have taken measures to technify irrigation, accumulate water, and manage water resources more efficiently. However, we need deep wells for irrigation. In this respect, the response from authorities has not been enough and the negative consequences in terms of production, productivity, and the caliber of our small producers' nuts is noticeable, which has a direct effect on our possibilities for export» (Bella Villareal, interview).

«Today there are two big challenges for production. The first is climate change. Water scarcity and excessive heat result in very negative consequences for fruit, with grapes that mature abruptly and that quickly dehydrate. The outlook for the future is not promising. The second challenge is generational relief. Although the growing participation of women and organizational management have resulted in more sustainability, we have to think about which young people are going to take our place. We already know that many of our children are not going to do it. In a few years, several of our fair trade organizations in Chile are going to have problems» (Gerardo Orellana, interview).

Current challenges: answers from agricultural organizations



Note: Challenges were ranked from 1 (most important) to 10 (least important). Therefore, the challenge with a number closest to one (in this case 3,57), is the most important.

According to Gerardo Orellana, this second challenge includes the need for fair trade standards to facilitate this transition because in the future, it won't be the nuclear family that guarantees the harvest. To this end, standards could focus on models like permanent co-management with people outside the family or could facilitate joint property management through the organization.

«Another challenge is in opening national markets. Although international fair trade markets will continue to exist, worldwide restrictions push us to create new sustainable niche markets at a national level. It is important to build public-private strategies and fair trade campaigns that engage retail and consumers» (Gerardo Orellana, interview).

Commercial elements are very prominent in the interviewees' comments: *«The biggest challenge continues to be trading. Producers have no doubt about this. Although organizations receive support from various institutions in terms of production, when it comes to trade, they still need more support from fair trade networks and other stakeholders»* (Ingrid Allende, interview).

There are several dynamics that weaken trade issues. In talking with Ingrid Allende, we identified the followings:

a) Few small producers' organizations have a marketing department, prepared for the challenges of the international market. This creates dependence on third parties for timely information;

b) The available information regarding the organizations tend to be short and outdated, which is unattractive for markets;

c) There is no central management in the Fairtrade International system for products sold in lower volumes. Investment in terms of time and effort by marketing organizations depends on the importance of the product in the market, meaning that not all NFOs are interested in the same products. It is a niche market.

d) More effort should be invested in direct business communication between producer organizations and potential international buyers.;

e) Institutional support in Chile for commercial positioning of small producers' organizations is still weak and there is no clear public strategy that seeks to strengthen it to promote fair trade in Chile and the rest of the world.

Another big challenge for agriculture that interviewees mentioned is intergenerational sustainability: *«Most of our young people want to leave the countryside, first because the dominant economic model has made them believe that farm life is for poor people and second because of its low profitability. If working hard in agriculture would result in significant returns, let's say $1,500 a month, then it would be worth it to them. Otherwise, it wouldn't. We are also experiencing a serious labor crisis for agricultural harvests. We can't find Chilean people or foreigners who are willing to work in the harvest. There is a concrete need to mechanize several agricultural processes. Otherwise, finding laborers will be very complicated. And if we find them, the final investment is so high that we can't cover it with product's sales»* (Felipe Zúñiga, interview).

According to Bella Villareal, even though small scale farmers feed the world, the agrarian economy is still in a precarious situation: *«It is completely unfair and it has visible consequences like the inability to guarantee generational relief that is enough to sustain small scale agriculture. When profitability is low, young people focus on other activities and go to the city to look for other means of generating income, because it is hard to earn enough from small scale agriculture. And with the water crisis and climate change, it is even harder»* (Bella Villareal, interview).

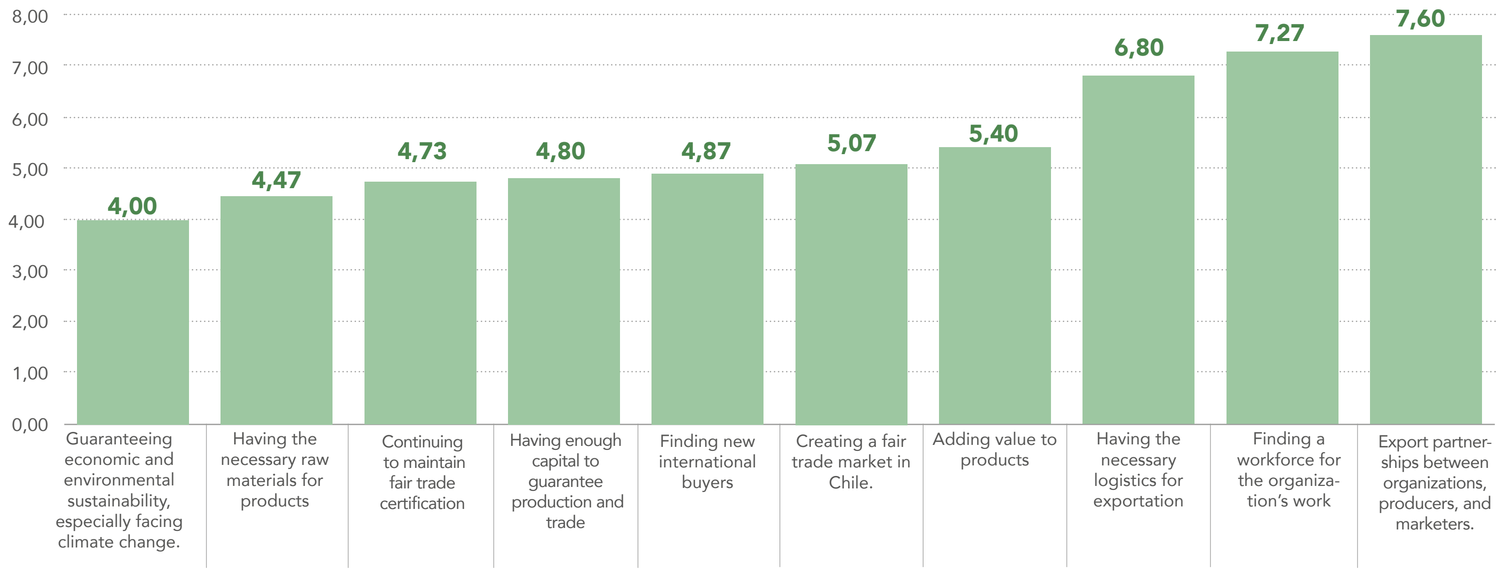
The manager of the Agronuez Cooperative thinks that working the land in a communal way, through the organization, could be an option for keeping the cooperative alive. However, according to her, like we saw with Gerardo Orellana, this requires cultural and economic capital to prevent the members' children from selling land to others – land that was farmed for decades by their parents – and from looking for short-term economic opportunities instead of sustainability for regional organizations.

Finally, one more relevant challenge is business innovation and product diversification, made difficult again because of water scarcity: «*Being innovators and working on new varieties and species of fresh and dried fruits to enter new markets and attract new clients. Diversification is very important, and we see it clearly in the difficulty with shipments of table grapes. Working with other fruits is also a challenge in responding to the drought situation in the country. There is a need for more concrete and assured State support to build infrastructure to sustainably manage water resources*» (Ximena Berríos, interview).

For handicraft organizations, other challenges besides climate change are having the necessary raw materials for products and continuing to maintain the fair trade certification. When asked if there were other challenges that weren't mentioned in the survey, craft organizations responded as follows:

- Improving communication to educate clients and consumers about fair trade;
- Strengthening the fair trade movement so that certification is not an obstacle.
- More solidarity in national coordination.;
- Specific difficulties in the regions where the artisans live.

Current challenges: answers from craft organizations



Note: Challenges were ranked from 1 (most important) to 10 (least important). Therefore, the challenge with a number closest to one (in this case 4), is the most important.

Related to this last point, there are elements that are very characteristic of rural areas in the La Aruacanía Region: *«In our regional rural areas, there are clear challenges that persist in territories and communities that are vulnerable and abandoned, where national services and support are not made available. The craft work is also not recognized and does not receive the social or health benefits that it should, unless craft families establish themselves as a company and follow Internal Tax Service standards. Besides, geographic and meteorological conditions are a barrier in themselves. There are areas where in winter, there is no access because the path is cut off. And finally, in the case of Araucanía, safety continues to be a very prominent issue»* (Susana Ortiz, interview).

In interviews with representatives of the craft sector, generational relief is one of the most prominent current challenges: *«Especially in the textile trade, we see the artisans aging. Even though they pass on their art to their children, they also help them get degrees so they don't have to pursue crafts as a business. Consequently, even though they pass on the traditions, there is no generational replacement to develop sustainable businesses»* (Susana Ortiz, interview).

4.7.10 ¿With which European company would you like to establish fair trade relations?

Three craft organizations explicitly mentioned four traditional fair trade importers: GEPA (Germany), Oxfam (Belgium and France), and CTM Altromercato (Italy). However, there were three organizations that said they don't have enough knowledge about the European craft market to be able to name any particular company.

Agricultural companies and organizations, on the other hand, mentioned supermarkets like Carrefour, ALDI, LIDL and Whole Foods, as well as fair trade importers like Oxfam, GEPA, and Traidcraft. They also mentioned:

- Members of business guilds and associations in each country;
- Supermarket chains all over Europe;
- Bottled wine importers and distributors;
- Nordic countries' alcoholic beverage monopolies.

Others mentioned:

- Woolen craft import companies;
- Retail stores, without going through intermediaries;
- Important European marketplaces;
- Handicraft sellers;
- German import organizations.

4.7.11 What recommendations would you give to further fair trade in Chile?

Agricultural companies and organizations leaned toward:

- More advocacy and promotion of certified organizations and their products at all levels, especially with authorities and guilds, and through mass media communication;
- Engaging large national buyers, especially supermarkets;
- Reducing certification costs;
- Carrying out a large national campaign;
- Defining concepts, engaging in political advocacy, and educating consumers through schools and universities;
- Having a distribution center or large fair trade products' store in Santiago Chile;
- Tax benefits for organizations that produce under fair trade criteria;
- Increasing the number of fair trade companies and organizations, with a wider variety of products available for the local market.

«In the beginning, we had certified the brand Santa Digna, which represented 60% of our sales, nationally and internationally. Today, it only represents 15%. In contrast, there has been a lot of growth in sales of the brand Las Mulas, our organic wine. However, we do not want to also certify it as fair trade, so that our consumers don't get confused by so many certifications at the same time, and so we can concentrate on the quality organic aspect of the wine, which is good for the consumer and the environment» (Rodrigo Constandil, interview).

Nine of the fourteen craft organizations that responded to the survey, indicated the need for better dissemination, communication, and marketing to publicize fair trade and its organizations in Chile. According to Lorena Soto (interview), corporate gifts from medium-size and large companies offer an opportunity. As we saw in the national sales data about the channels used by organization, these could be a niche that boosts purchases from fair trade artisans and cooperatives while also raising awareness with people in the corporate world.

Other responses from craft organizations point to:

- Recognizing fair trade as a form of organizing the market and not just a business standard;
- Providing support to organizations;
- Strengthening networking between fair trade organizations;
- Lowering certification costs;
- Public policy that provides incentives and/or preferences for fair trade organizations and their products.

A large national campaign, strongly linked to creating new sales spaces and channels, is something that was mentioned by various interviewees from Chilean fair trade organizations and companies, both agricultural and craft: *«In Chile, fair trade is still making little progress. […] We need a national campaign that unites all stakeholders in this type of promotion, regardless of differences, and that truly makes a difference in terms of consumers and authorities»* (Rodrigo Constandil, interview).

«We need publicity, and we don't have spaces to sell our products. The pandemic has made us abandon certain sales points, and online sales haven't grown as needed. The fair at Alto Las Condes is something that has remained for several years and it is appreciated» (Relmu Witral, interview).

Having the short- or medium-term goal of an impactful national campaign could also help strengthen coordination between the country's different fair trade stakeholders, considering that there are still some contrasts and lack of knowledge and understanding. Other comments we received point toward this: *«The contrasts between the different fair trade schemes, that exist internationally, are reflected at a national level, and they don't help the movement's development as a whole»* (Rodrigo Constandil, interview).

In order to strengthen national coordination, we must promote understanding and dialogue between all the fair trade stakeholders: *«I feel that the Fair For Life certified companies still have a hard time actively participating in networking and collaboration within the movement, like the Fair Trade Association of Chile in our case. The case of the Miguel Torres company is the exception, from the beginning it committed to the movement's values, even beyond the business opportunity».* » According to Robin Ramakers (interview) other companies are attracted by the market option, but aren't still fully involved in the fair trade movement.

«I think what we need is better knowledge and understanding among those of us who work in fair trade. We need more solidarity among our organizations. We also have to be clear about the difference between those of us who are already certified and those who aspire to it. For us, certification isn't only a tool to find markets but a concrete endorsement of all the work we do to improve our communities» (Susana Ortiz, interview).

Stronger national coordination will also give a boost to two social advocacy tools that the global and Latin American movements have had for several years. We are referring to the following campaigns:

> **"Latin American Universities for Fair Trade"**[48], launched by CLAC in 2014, with the goal of introducing the academic world to the reality of fair trade agricultural and craft producers and converting universities into strategic allies of the movement.

Universidades Latinoamericanas por el Comercio Justo
By CLAC

> And **"Latin American Cities and Towns for Fair Trade"**[49], launched in 2015 in Latin America and the Caribbean, thanks to the collaboration between CLAC and the WFTO Latin American Regional Office, with the goal of replicating the international Fair Trade Towns"[50], campaign in the region and seeking to covert towns (both rural and urban) in live spaces for fair trade development and responsible consumption at all levels

CIUDADES Y PUEBLOS POR EL COMERCIO JUSTO LATINOAMÉRICA Y EL CARIBE

Until now, few steps have been taken to develop these two campaigns in Chile. However, we believe that there is great potential that a strengthened national coordination should be taken advantage of.

It is also worth mentioning that while this study was being carried out, **the Municipalities Network for Cooperativism and Social**, was launched (July 19, 2022), a network with which, no doubt about it, a connection could be strengthened to analyze opportunities for synergies with the fair trade movement.

RED DE MUNICIPIOS POR EL COOPERATIVISMO Y LA ECONOMÍA SOCIAL

During this launch, Nicolás Grau, Minister of Economy, Promotion and Tourism, commented that it is especially important for municipalities, which have more direct contact with the population, to put the cooperative and social economy sector within its priorities, to visualize and promote this other way of organizing production, trade, and consumption. This is because cooperatives strongly defend employment, especially during economic crises, responding more resiliently and flexible to global and national economic adversity.

The Puerto Varas Municipality, in Los Lagos Region, is participating in this network and we had the opportunity to interview its Mayor, Tomás Gárate. He explained that today, based on his administration's observations *«the 'land-city' connection is in crisis due to the progressive decline of rural activities, even more so in a situation of global inflation, and because of conflicts over land use due to unprecedented urban expansion in our territory. This means a loss of agricultural land as well as an accelerated gentrification process, where rural populations are displaced by housing projects of different levels»* (Tomás Gárate, interview).

In facing this situation, the local government response, on one hand, seeks to rigorously monitor housing projects outside city limits. On the other hand, it looks to incentivize rural markets *«to connect the local agricultural offer with the urban demand. We are developing a network of commercial spaces in rural areas to increase opportunities for small agricultural producers. It is an effort by the Department of Rural Development through the Local Action Development Program (Programa de desarrollo de acción local, Prodesal)*[51] *and it fits within our strategic goal of promoting food sovereignty as the engine for rural development in the area. We want to incentivize short production and consumption circuits, impacting people's health and decreasing the carbon footprint of our food sources»* (Tomás Gárate, interview).

[48] See: http://www.clac-comerciojusto.org/ulcj/

[49] Since November 2020 "Cities for Fair Trade – Latin America and the Caribbean: https://ciudades-comerciojusto.org/

[50] See: https://www.fairtradetowns.org/

[51] See: https://www.chileatiende.gob.cl/fichas/1681-programa-de-desarrollo-de-accion-local-prodesal

The Puerto Varas municipality is also creating a commercial space for products in the city, by conditioning a warehouse right in the center, «*with products from small agricultural producers, groups of artisans, and micro or family businesses. It is being made especially for women, heads of household and single mothers, some of them profoundly vulnerable, so they can sell products at a lower price than retail, for example*» (Tomás Gárate, interview).

Mayor Tomás Gárate comments that, in all these processes, coordination and cooperation are key for grouping similar necessities, strengthening administrative and accounting processes, improving negotiation and trade capacities, including exportation, and raising capital for projects, among other elements. For Puerto Varas, in the Municipalities Network for Cooperativism and Social Economy «*it will be essential to learn from and replicate public municipal programs.*

We can't give ourselves the luxury of starting from zero when there is already experience in other municipalities. We should be capable of taking good experiences and adapting them to our territory for implementation. I hope that the Network would be the ideal space for learning about public policy experiences in the cooperative and social economy sector» (Tomás Gárate, interview).

5. Public Policies and Fair Trade

Despite the fact that the fair trade movement has been around for seven decades and has solid commercial practices in various countries around the world, there are still few public policies that directly or indirectly promote it. Consequently, there is very little research in this regard.

The Fair Trade Advocacy Office (FTAO) and the Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC) promoted a first exploratory study on public policies and fair trade in 2015. This brief study focused on the European cases of France, Italy and Spain, and on the Latin American cases of Colombia, Ecuador and Brazil (CLAC y FTAO, 2015).

Two years later, CLAC published an in-depth study on the three Latin American cases, with the collaboration of external researchers that were familiar with the fair trade realities of Colombia, Brazil and Ecuador (CLAC, 2017).

In 2021, commissioned by the FTAO and Fairtrade International, and with the financial support of the European Union and the Charles Léopold Mayer Foundation for the Progress of Humankind (FPH), a new study entitled "Public Policies on Fair Trade" was published, providing an updated vision of the advances in public policies related to fair trade.

The authors, Veselina Vasileva and Didier Reynaud (2021), analyzed secondary sources from 23 countries and carried out several semi-structured interviews with experts on the subject, ultimately focusing the report on six cases: three European (Belgium, France and Italy), two Latin American (Brazil and Ecuador) and one supranational (European Union), while visualizing other potential cases for future studies, like Tanzania in Africa and Sri Lanka in Asia.

In this study, we will refer particularly to this work, to mention the main public policies experiences related to fair trade, based on the typology proposed by Vasileva y Reynaud (2021: 10):

a) specific fair trade (or social and solidarity economy) regulatory framework, legislation or public policy;

b) specific legislation or policies that mention fair trade and its principles;

c) policies or legislation that do not mention fair trade but that activate and enable it, supporting some of the fair trade principles;

d) government programs, projects and initiatives that are directly or indirectly related to fair trade and its principles.

Next, we will briefly present the study's national experiences, as well as the Chilean context.

5.1 Belgium

The analysis by Vasileva y Reynaud (2021: 30-37) for the Belgian case essentially focuses on 3 public policies that promote fair trade.

The first is the legislative framework for Foreign and Development Cooperation, approved on March 19th, 2013, in which the promotion of fair and sustainable trade is one of the objectives of development cooperation. The Trade for Development Center (TDC), as part of the Belgian Agency for Development (ENABEL, formerly "BTC")[52], is in charge of all activities related to fair trade, including the already famous "Fair Trade Week" which is held in the country.

In fact, it was previously called the "Fair Trade Center", but changed its name in 2009, to include broader sustainable trade initiatives and projects.

The second is the federal parliament resolution, which was approved almost unanimously on July 20th, 2017, and seeks to "Make Belgium a Fair Trade Country", thus institutionalizing the homonym national campaign launched a year earlier[53].

The resolution invites both the public and private sectors and civil society to "give Fair Trade the space it deserves" in the economic, social and political relations of the country; it seeks to strengthen public purchasing while also focusing on fair trade at the local level , promoting organic production and short circuits.

Finally, the parliamentary resolution calls on the Federal Government to coordinate the best initiatives with the regional and local authorities to make this statement a reality.

The goals for 2020 were:

95% of the population has heard of fair trade **(achieved).**

15 euros of spending per capita on fair trade products per year **(achieved).**

The largest supermarkets are offering fair trade products **(achieved).**

51% of the country's municipalities will be "Fair Trade Towns" **(42% in 2021).**

More than half of the Belgian provinces will be "fair provinces" **(5 of 10 in 2021, it's missing one).**

80% of federal, regional and local parliaments and ministries will consume at least two fair trade products regularly **(achieved).**

Fair trade is mentioned in the media at least **600** times a year **(achieved).**

[52] It is a non-binding text, and the government is called upon to publish an annual progress report. However, other governments may not consider this..

[53] See, for example, the Faircoop Cooperative with the "Fairebel" brand: milk, cheese, butter, ice cream, apples, pears and beef; https://www.fairebel.be/cooperative/

Belgium is not far from being declared a "Fair Trade Country"; however, there is still work to be done, particularly at the local level.

The third is the "Beyond Chocolate" Initiative (BCI), promoted by the Federal Government for the Belgian chocolate industry, but which emerged thanks to pressure from fair trade organizations and civil society as a whole, and the echo that these advocacy and awareness actions had in the country's media. The initiative focuses mainly on the following aspects: decent income, poverty in the cocoa value chain, and deforestation.

The first objective is to be able to declare by 2025, that 100% of Belgian chocolate can be certified as sustainable, considering different sustainability certifications, including self-certifications.

The second, the Belgian chocolate industry will be "zero deforestation" by 2030. The third, by 2030 every cocoa producer that exports to Belgium will receive a decent and sustainable income

5.2 France

France is a pioneer in promoting fair trade through national public policies. In 2005, Law 2005-882 (August 2nd) "In favor of small and medium-sized enterprises"[55], in its article 60, point I, declares that: "Fair trade is part of the national sustainable development strategy" and, following this, describes the three main conditions for a fair trade relationship: the commitment to a stable business relationship, of not less than three years; the fair price, based on production costs and a balanced negotiation between the parties; a premium that is added to the purchase price

Pursuant to article 60 of this law, on May 15th, 2007, Decree 2007-986 was approved, creating the "National Fair Trade Commission", with representatives from various ministries (trade, ecology, cooperation, tourism, industries and foreign trade), the inter-ministerial delegate for sustainable development, the general social cohesion director, four representatives of fair trade organizations and federations, two representatives of professional organizations and federations involved in fair trade, two representatives of associations for consumer defense, four representatives of international solidarity organizations and two qualified professionals[56].

This commission only began working in 2010 and did not achieve its goal of establishing common fair trade standards, especially due to the differences between all the participating actors and was dissolved in 2015.

In those years, the National Fair Trade Platform played a very active role in positioning the importance of having an appropriate legislative framework and public policies that promote the sector.

In fact, on April 29th, 2013, the ambitious "Action Plan in favor of Fair Trade" was launched, for the years 2013-2017, with a 7-million-euro budget (Vasileva y Reynaud, 2021: 40).

This Plan included 5 main objectives and 14 specific actions:

1. Stimulate product supply from the fair trade value chains in the South.
2. Increase the number of fair trade products sold in the North.
3. Reinforce public credibility in fair trade labels, logos and references.
4. Rebalance value chains to favor producers.
5. Institutionally support the fair trade actors and principles (MAE, 2013).

[55] See article 60 of Law 2005-882 (August 2nd): https://www.legifrance.gouv.fr/loda/id/LEGISCTA000006095714

[56] See Decree 2007-986 https://www.legifrance.gouv.fr/loda/id/JORFTEXT000000463875/

Almost a decade after Law 2005-882 came out, the Social and Solidarity Economy Law 2014-856 (July 31st) was approved, whose article 94 redrafts point II of article 60 of Law 2005-882, to focus on six fundamental principles:

1 Fair trade seeks the economic and social progress of disadvantaged workers.

2 There must be a long-term commitment between buyer and producer, of no less than 3 years.

3 Payment of the fair price (production costs and balanced negotiation).

4 A fair trade premium (complementary to the price, for collective projects).

5 All commercial actors in the value chain commit to the transparency of information with the consumers.

6 Companies that publicly adhere to fair trade must develop awareness and education actions on sustainable production and consumption models[57].

Subsequently, Decree 2015-1157 (September 17th) "On fair trade" better specifies what "disadvantaged workers" means and what "fair trade price" means. Three aspects are considered for the latter:

a) It must cover production costs;

b) It must pay a sufficient remuneration to satisfy the basic needs of the workers and their families;

c) It must generate a margin that allows workers to make the necessary investments to improve the efficiency of their production tools and the marketing of their products[58].

Finally, in 2019, Law 2019-486 (May 22nd) "Relating to company growth and transformation" was approved. Thanks to several years of advocacy work by national fair trade actors, it specifies that the term "fair" (equitable) can be used for those products that are produced based on fair trade principles (point II, article 60 of Law 2005-882 and amendments); thus, it seeks to prevent and combat false labels and the increasingly frequent "fairwashing" actions among companies (Vasileva y Reynaud, 2021: 41).[59]

Finally, Law 2021-1104 (August 22nd) "on the fight against climate change and strengthening resilience to its effects", on the one hand, recognizes agroecology and the protection of biodiversity as integral parts of fair trade; on the other, it establishes the use of a guaranteed system or a certification/label as mandatory for all companies that claim to be fair trade (CEF, 2021).

There is no doubt that all these regulations, including the 2013 Action Plan, strengthened the movement in France. By having a greater control over the companies that want to be fair trade and the labeling associated with their products, new markets and fair trade approaches are also being developed.

Today France is leading an unprecedented national fair trade development, after having strengthened the fair trade and South-North cooperation channels for several years.

Its development coincides with the growing awareness of the new generations on climate change, the need to establish short and sustainable marketing circuits for different products, as well as the need for a solidary, sustainable, and responsible post-pandemic reactivation.

The work of the National Platform for Fair Trade (Commerce Équitable France – CEF), accompanied by significant media coverage, is putting the spotlight on the synergies between South-North and North-North fair trade, creating a currently unique ecosystem, despite the tensions and differences that this may generate between the different actors involved in the movement.

[57] See Article 94 of Law 2014-856 (July 31st): https://www.legifrance.gouv.fr/jorf/id/JORFARTI000029313690

[58] See Decree 2015-1157 (September 17th): https://www.legifrance.gouv.fr/loda/id/JORFTEXT000031183558/

[59] See article 173 of Law 2019-486: https://www.legifrance.gouv.fr/jorf/id/JORFTEXT000038496102/

Commerce Équitable France

FAIR TRADE LABELS ON THE FRENCH MARKET

Labels only for North-South fair trade

Producteurs Paysans – www.SPP.coop – COMMERCE ÉQUITABLE

FAIRTRADE MAX HAVELAAR *

** FAIRTRADE MAX HAVELAAR – COCOA

Labels for North-South fair trade products and of French origin

WORLD FAIR TRADE ORGANIZATION

label TOURISME ÉQUITABLE

ÉQUITABLE & BIO – BIOPARTENAIRE

fair for life – commerce équitable

Labels only for products of French origin

CERTIFIÉ Agri éthique France – COMMERCE ÉQUITABLE

BIO ÉQUITABLE EN FRANCE

Notes: (*) As of 2022, the Fairtrade Max Havelaar mark can also be considered for products of French origin. .
(**) In cases where at least 20% to 50% of the ingredients of the product are Fairtrade.
Source: **CEF (2022)**, own translation.

This highly varied ecosystem shows the commitment that the movement took in France with the "Charte du Commerce Equitable Origine France"[60], which describes the fundamental principles of fair trade applied to the country's farmers.

This letter was approved in 2014, entitled "Local Fair Trade Charter" and was finally updated in 2017, to follow the legal framework approved at the national level.

The signatory organizations are: a) the fair trade platform "Commerce Équitable France"; b) the initiative for citizen and territorial agriculture "InPACT – Initiatives Pour une Agriculture Citoyenne et Territoriale"; and c) the FNAB, National Federation of Biological Agriculture.

5.3 Italy

Italy is the only European country that included fair trade in public tenders, both on a mandatory and non-voluntary basis, for products such as bananas and chocolate, among others (Vasileva y Reynaud, 2021: 50).

This public procurement achievement is the result of a process that lasted several years, which the movement led along with local, regional and national authorities.

Since 2006, the Italian Parliament has tried to adopt a normative on fair and solidary trade. The text, presented by a group of deputies in 2006, was presented again in 2012, 2013 and again in 2014[61]; however, even though it was approved in tdhe Chamber of Deputies on March 3rd, 2016, it has not yet been approved by the Senate

In the text of the drafted Law, fair trade is recognized as «*a relevant function in the economic and social growth of economically marginalized areas of the planet, in the practice of a participatory economy model that attends to the conservation of the ecosystem, is socially sustainable and respectful of the rights and needs of all the actors that are part of the economic exchange and in the promotion of the encounter between different cultures*» (Art. 1).

The project foresees the creation of a Commission to Accredit representative entities for fair trade organizations (cooperatives, associations, consortiums, etc.) and products' certification bodies; which will be in charge, among others, of the creation and management of the national cadaster for all accredited organizations. Registration in the national cadaster would constitute a «*preference criterion, under equal conditions, if services are hired by means of the most economically advantageous offer criterion*» (Art. 10, punto 3, letra b).

And here the importance of public purchases, in the Italian movement scenario for fair and solidary trade, becomes evident. the Italian case, in the absence of national approval of the law, public policies to promote fair trade at the regional level are quite relevant.

The pioneers were the Tuscan (Regional Law 24/2005) and the Friuli Venezia Giulia region (Regional Law 29/2005). Other regions followed such as Abruzzo (Regional Law 7/2006), Umbria (116/2007), Liguria (32/2007), Marche (8/2008), Emilia Romagna (110/2009), Veneto (26/2009), Piemonte (26/2009), Lazio (20/2009), Veneto (6/2010), Trentino (13/2010), Puglia (32/2014), Lombardia (9/2015) (CLAC and FTAO, 2015) and Basilicata (48/2018). In Sicily, the Single Trade Text is being updated, a law decree that would also include fair trade.

14 of the 20 Italian regions have already approved a regional law to promoted and regulate fair and solidary trade.

[60] See the text at: https://www.commercequitable.org/wp-content/uploads/notre-collectif/charte_ce_origine_france_2018.pdf

[61] See the text of the bill "Disposizioni per la promozione e disciplina del comercio equo e solidale" (Provisions for the promotion and regulation of fair and solidary trade): http://documenti.camera.it/_dati/leg17/lavori/stampati/pdf/17PDL0039140.pdf

Meanwhile, in 2014, Law 125 of August 11th, "General regulation on international development cooperation" was approved, which, in its article 26, recognizes fair trade, ethical finance and microcredit organizations (which in their statutes foresee international development cooperation as a priority objective) as subjects of development cooperation; in this sense, the Italian State promotes their participation in cooperation programs and projects (Vasileva y Reynaud, 2021: 50).

The inclusion of fair trade in public purchases originates from the National Action Plan on "Green Public Procurement" (PAN GPP) promoted at the European Union level[62].

This plan, and successive ministerial decrees, must ensure the so-called "Minimum Environmental Criteria" (CAM) for the various phases of the public procurement process, to find the best design solutions and the best products and services from the life cycle approach.

The effectiveness of CAMs is guaranteed by Article 34 (Energy and Environmental Sustainability Criteria) of the "Code of Tenders" (Legislative Decree 50/2016), which made them mandatory in all procurement phases.

Since 2011, the Italian fair trade organizations Equo Garantito and Fairtrade Italy have influenced CAMs related to food services and food supply.

In 2017, after the European Directive on public procurement (2014) was enforced, a multi-stakeholder working group was created to update the "Minimum Environmental Criteria" and fair trade organizations were invited to participate.

On March 10th, 2020, these CAMs, previously approved in 2011, were updated through a new Decree of the Ministry of the Environment and the Protection of the Territory and Sea.

The decree considers the following:

1) For nurseries, kindergartens, first and second grade primary schools: *«Exotic fruit (pineapples, bananas) must be organic or from fair and solidary trade, within the scope of a recognized certification scheme or a multistakeholder initiative such as the Fairtrade Labeling Organizations, the World Fair Trade Organization or equivalent»*[63]. The same applies to chocolate bars.

2) For collective feeding in public offices, universities, and barracks:

«Exotic products (pineapples, bananas, cacao, chocolate, coffee, raw or whole cane sugar): organic and/or fair and solidary trade, within the scope of a recognized certification scheme or a multistakeholder initiative such as Fairtrade Labeling Organizations Flo-Cert, the World Fair Trade Organization-WFTO or equivalent […]»[64].

3) For hospital structures, exotic fruit can be organic or fair trade..

As reviewed by Vasileva y Reynaud (2021: 51), between 2020 and 2021, only 12% of public entities were contracting, voluntarily applying CAMs for food services and food supply. The good news is that fair trade was one of the most used minimum criteria and that more than half of public entities (especially those focusing on food supplies for schools) were requesting fair trade bananas, thanks to the strong advocacy work performed by fair trade organizations, especially CTM Altromercato with the "Ristorazione Solidale" (Solidarity Food) projec[65].

The approval of the Decree in 2020 includes fair trade as a mandatory criterion, referring explicitly to Fairtrade International and the World Fair Trade Organization; however, in the wake of the pandemic, most public entities simply extended existing contracts, without opening new tenders that could have included fair trade and/or organic production standards as requirements for the aforementioned products.

[62] See: https://ec.europa.eu/environment/gpp/index_en.htm

[63] See the Ministerial Decree at: https://www.gazzettaufficiale.it/eli/gu/2020/04/04/90/sg/pdf

[64] Ibidem.

[65] During 2021, and only in the case of certain schools in Rome (145.000 students) and Milan (75.000), CTM Attromercato (the most important fair trade organizations consortium in Italy) registered the acquisition of more than 2 million and 300 thousand chocolate bars, more than 600 thousand units of chocolate pudding, 600 thousand ice creams with organic and fair trade cacao and sugar, and more than 3 million units of other products containing fair trade cacao and honey, and organic carrots

5.4 Brazil

To understand the progress of Brazilian fair trade public policies, we must remember some key dates.

In 2001, the first World Social Forum was held in Porto Alegre. The construction of "a different, possible, necessary and urgent world" is the common objective of many social, economic, and environmental movements that would support the candidature of Luiz Inácio Lula da Silva, who would be president of the Federative Republic of Brazil from January 1st, 2003, until December 31st, 2010.

The effervescence of the movements was also a breeding ground for the consolidation of "Faces do Brasil" (Fórum de Articulação do Comércio Ético e Solidário), a national platform that articulated more than 120 fair and solidary trade organizations within the country.

In 2003, under the first Lula government, in the Ministry of Labor and Employment, the "National Secretariat of Solidarity Economy" (SENAES, decree 4.764 of 24/06/2003, modified by 5.063 of 03/05/2003) was created.

SENAES would become the fundamental actor for the promotion of solidarity economy and fair trade at the national level. Since the first Solidarity Economy Plan (2004-2007), the promotion of ethical consumption and fair trade would be included (Vasileva y Reynaud, 2021: 14).

The same decree that created SENAES also created the National Council for Solidarity Economy (CNES), as a consultative and proactive body that would lead the interaction between the government and civil society.

Through the constant interaction between Faces do Brasil and the government, especially the Ministry of Labor and SENAES, headed by its national secretary, Paul Singer, Decree No. 5.811 (21/06/2006) was created, which establishes the structure and composition of CNES.

This Council began to articulate its working groups, one of which was the "GT of Solidarity Production, Marketing and Consumption", with the participation of Faces do Brasil and the Brazilian Forum of Solidarity Economy (FBES).

EThis working group played a fundamental role in the construction and subsequent launch of the National Fair and Solidary Trade System (SNCJS), created by Presidential Decree No. 7.358 (17/11/2010), within the Ministry of Labor and Employment (CLAC, 2017: 14). A unique and pioneering initiative in the world. nivel mundial.

According to the decree, fair and solidary trade is a «*differentiated commercial practice based on the values of social justice and solidarity, carried out by solidarity economic enterprises*», y éstos se definen como «*associative organizations that carry out economic activities, and whose participants are workers from the urban or rural areas and democratically exercise the management of the activities and the allocation of their results*», therefore clarifying what solidarity economic business mean[66]. This therefore excludes private plantations that employ labour, because, in them, the activities and allocation of the results (income) acquired are not managed democratically among the workers.

The creation of the "National Registry of Solidarity Economy and Fair Trade Enterprises – CADSOL" (Ordinance of the Ministry of Labor and Employment No. 1780 of 19/11/2014) was essential for their identification (CLAC, 2017: 32) and would operate until 2016, despite the fact that its website continued to exist at the time of the study.

As of the 2020-2021 biennium, several Brazilian States have carried out different strategies to implement it locally and thus facilitate the access of solidarity organizations and enterprises to targeted policies and programs (Vasileva y Reynaud, 2021: 18 y 84).

As of Presidential Decree No. 7.358, the working group on National Fair and Solidary

[66] See decree N. 7.358 at: https://www.planalto.gov.br/ccivil_03/_ato2007-2010/2010/decreto/d7358.htm

Trade System (GT-SNCJS) began working on the structure and organization of the system, including the certification process of the entities related to it.

Despite the budgetary restrictions and the difficult integration of the solidarity economy into the plans of other ministries, the promotion of fair and solidarity trade practices by the Federal Government was carried out mainly through two SENAES programs: "Solidarity Economy in Development" and "Sustainable Territorial Regional Development and Solidarity Economy", within the framework of the multi-year national development plans.

Since Dilma Rousseff assumed the presidency (01/01/2011 – 31/08/2016), the budget for Solidarity Economy became higher than ever. On December 30th, 2014, the Ordinance No. 2060 of the Ministry of Labor and Employment on principles, criteria, conformity assessment system and management mechanisms of the National Fair and Solidary Trade System was issued; however, administrative, personnel and management changes would not facilitate the development of the SNCJS.

With resolution no. 4, of July 4,th 2012, the "Fair and Solidary Brazil Plan – Transversal Agenda", was instituted, as a strategic action mechanism of CNES within the scope of the 2012-2015 Pluriannual Plan, which sought to integrate the actions of the Federal Government with the efforts of the States, municipalities, private sector, universities and civil society, to promote the overcoming of poverty through the generation of income through associative work.

The fair trade and solidarity economy actors participated in the creation of the Multiannual Plans (PPA) 2004-07, 2008-11, 2012-15 and 2016-19, as planning instruments for national development.

Unfortunately, during the Michel Temer government (31/08/2016-31/12/2018) SENAES lost the Secretariat status, and during the Jair Messias Bolsonaro government (2019-2022) solidarity economy became the responsibility of the Special Secretariat for Social Development of the Ministry of Citizenship[67], losing relevance within the government structure.The proposal for the National Solidarity Economy Plan, built during the last National Conference at the end of the 2016-19 PPA, was rejected; SENAES's management, agenda, and budget have changed; and the CNES is no longer active (Vasileva y Reynaud, 2021: 16).

Despite the movement's strength within the country, the path of the SNCJS, which was at first promising, is currently facing various challenges to be implemented, as it is strongly dependent on progressive administrations, has little transversal institutionalization and low commitment on the part of the international movement, despite the fact that the regulatory process foresees for the coexistence of various certification models: a) traditional (by third parties, such as certain international certification schemes, for example, Fairtrade International); b) through a conformity assessment carried out by another fair trade organization; and c) a self-assessment followed by an external audit by an accredited organization (similar to what the WFTO guarantee system provides).

5.5 Ecuador

During the two terms of President Rafael Correa (January 15th, 2007 – May 24th, 2017), profound legislative changes were carried out in Ecuador, beginning with the constitution approved in 2008, which introduced many novelties and covered societal areas which were not previously considered. The case of popular and solidarity economy, as well as fair trade, are very evident.

The Constitution of the Republic of Ecuador dedicates the entire Fifth Section of the Sixth Chapter ("Work and production") to "Economic exchanges and fair trade".

For example, article 336 mentions that: *«The State will promote and ensure fair trade as a means of access to quality goods and services, minimizing intermediation distortions and promoting sustainability. The State will ensure transparency and efficiency in the markets and will promote competition under equal conditions and opportunities, which will be defined by the law»* (ACE, 2008).

[67] See: https://www.gov.br/cidadania/pt-br/noticias-e-conteudos/desenvolvimento-social

Having such an explicit reference as this one, in a Constitutional text, is definitely innovative.

The development regime that Ecuador's new constitution promotes, and which is based on the principles of sumak kawsay (good living or living together in harmony) and the indigenous worldview, calls one to reconsider the meaning of economy, to seek that solidarity and equity that the fair trade movement professes.

In title VI, fourth chapter, first section, article 283 of the Constitution states that:

«The economic system is social and solidary; it recognizes the human being as a subject and end; it tends to a dynamic and balanced relationship between society, state and market, in harmony with nature; and its objective seeks to guarantee the production and reproduction of the material and immaterial conditions that facilitate good living. The economic system will be integrated by the forms of public, private, mixed, popular and solidarity economic organization, and any others that the Constitution may determine» (ACE, 2008).

An economic diversity that is also evident in the diversity of fair trade actors, among which we find cooperatives, indigenous associations, social enterprises, among other democratic ways of managing production and fair trade, and which escapes from the binomial "public and private companies", because they are collective economy options, where the community participates and actively leads the processes to reduce inequalities, guarantee rights and allow a dignified life in harmony with nature.

In addition to the Constitution, the "Organic Law of Popular and Solidarity Economy" (approved in April 2011) is worth mentioning, which also refers explicitly to fair trade.

In its Art. 4 on the principles, for example, it mentions:

«Persons and organizations covered by this law, in the exercise of their activities, will be guided by the following principles, as appropriate: ***a)*** *The search for good living and the common good;* ***b)*** *The priority of work over capital and of collective interests over individual ones;* ***c)*** *Fair trade and ethical and responsible consumption:* ***d)*** *Gender equity;* ***e)*** *Respect for cultural identity;* ***f)*** *Self-management;* ***g)*** *Social and environmental responsibility, solidarity and accountability; and,* ***h)*** *The equitable and solidary distribution of surpluses»* (ANRE, 2011).

Meanwhile, Article 137, on promotion measures, underlines how the State, among other actions, «d) will promote fair trade and exchange and a responsible consumption» (ANRE 2011).

The promotion of the solidarity economy and fair trade, as one of its expressions, was reflected in various public policies, such as the National Plan for Good Living (2013-2017) or the Government Plan 2013-2017 ("Proposals for the Socialism of Good Living").

Regarding fair trade, the government and civil society organizations also promoted the creation of a sectoral national public policy, world pioneer.

Since 2010, this participatory process has been led by the Inclusive Trade Directorate of the Vice Ministry of Foreign Trade (Ministry of Foreign Affairs, Trade and Integration) which, through careful multistakeholder dialogue (which included a national fair trade conference in the city of Cuenca, in 2012), managed to gather all different expectations in a consensual proposal for the "2014-2017 Ecuadorian Fair Trade Strategy", which was presented in 2014 by the Ministry of Foreign Trade of Ecuador (2014) and renewed in 2019 until the year 2025.

The strategy foresees two strategic objectives, each with two lines of work:c

OBJECTIVE 1

Build new relationships and social production, marketing, distribution and consumption practices, based on justice, equity and co-responsibility.

Line 1
Strengthening the normative and institutional Fair Trade framework.

Line 2
Fair Trade reinforcement, promotion and incentive.

OBJECTIVE 2

Improve the quality of life of small producers, artisans and workers, providing Fair Trade enterprises with sustainability.

Line 3
Improvement of the production, commercialization and marketing opening processes for the trade products and services.

Line 4
Strengthening Fair Trade organizations and companies, and the supply of Fair Trade products and services.

In March 2017, through Ministerial Agreement 003-2017, the Ministry of Foreign Trade agreed to establish the 2016-2025 Ecuadorian Fair Trade Strategy as a State Policy, taking charge of it and creating the *«Inter-Institutional Committee for the Promotion of Fair Trade in Ecuador, which seeks to coordinate and monitor the implementation of the Ecuadorian Fair Trade Strategy, due to the importance of their participation in the development of Fair Trade within the country»* (MCE, 2017).

In the ministerial agreement text on the Strategy, the guidelines of all 4 lines of work mentioned above are specified.

Today, the Strategy is the responsibility of the Ministry of Production, Foreign Trade, Investment and Fishery (MPCEIP), which, among its duties, includes: *«Defining fair trade, inclusive trade and foreign trade consortia policies, providing a preferential treatment for microenterprises and actors of the popular and solidarity economy»* (MPCEIP, 2021).

In this ministry, the Vice Ministry of Export and Investment Promotion is responsible for *«Defining, guiding and directing the design, development and implementation of the Export Promotion Plan with an emphasis on the creation of programs and projects that aim to support fair trade companies, inclusive trade, consortiums, micro-enterprises and actors of the popular and solidarity economy»* (MPCEIP, 2021).

The Strategy programs are being coordinated through 4 technical committees. The first (organizational strengthening and supply of fair trade products) is the responsibility of the Ministry of Agriculture and Livestock; the second (promotion of fair trade and marketing) is managed by the National Institute of Popular and Solidarity Economy (IEPS); the third (financing) and the fourth (improvement in business processes and internationalization) are managed by the MPCEIP (Vasileva y Reynaud, 2021: 24).

The participation of so many actors surely enrich the process, but it also slows down its development year after year. Despite having a consolidated legislative framework where solidarity economy and fair trade assume an important, never-before-seen role, the day-to-day execution of the programs is not immune from problems and constant challenges.

Vasileva y Reynaud (2021: 25)) envision several achievements, among which, I would emphasize the following:

- Simplification of the regularization procedures used to organize small producers;
- Fair trade fairs and institutionalization of the World Fair Trade Day celebration;
- Market studies, fair trade and responsible consumption guide;
- Development of the "Associative Sector Exports and Fair Trade Yearbook", which at the time of writing this study already had 6 editions, published between 2016 and 2021.

One of the most relevant elements of what is being experienced in Ecuador, regarding fair trade, is the active participation of national organizations and networks from the very beginning. As in the Brazilian case.

Meanwhile, unlike the Brazilian case, in Ecuador no decision has been made on the definition of fair trade and on which economic actors can be considered as fair trade actors. Rather, all the actors who, up to now, have led both international and local circuits are recognized. That is, as is mentioned in the Strategy:

- *«Organized small producers, who apply the Fair Trade principles and values and have formed organizations networks to access the market under fairer and more equitable conditions. This group also includes the Peasant Family Agriculture initiatives.*

- *The artisans who transform raw materials into elaborated products, and who were the first organized groups that were linked to Fair Trade to export their products;*

- *Solidarity and social trade enterprises, which are linked to rural development processes and which, within the comprehensive community support framework, are trading products from organized small producers, and Peasant Family Agriculture;*

- *Private companies that work with small producers in value chains;*

- *Private companies that certify hired labor, maintain an adequate work environment, and pay decent wages to their workers»*
(MCE, 2017).

Another relevant aspect was that, starting with Rafael Correa's first government, several people who promoted solidarity economy and fair trade from civil society or academia became public officials, thus pushing these issues "from within".

Obviously, the fact of having constitutional recognition and support, as well as clear responsibilities within the government structure, has facilitated the implementation of the Ecuadorian Fair Trade Strategy, as a public policy for the sector, making Ecuador a very special case in the world.

Postponed due to the pandemic, the fifteenth international meeting of Cities for Fair Trade took place both in person and virtually, between October 21st and 23rd, 2022, in Quito, the first Latin American national capital to enter the "Latin American Cities and Towns for Fair Trade" campaign, since 2016[68]. Officials from the municipalities of Santiago and Puerto Varas participated for the first time online.

During the 2021 international conference, held both virtually and in person in Switzerland, the symbolic transfer of responsibilities to the mayor of Quito, Santiago Guarderas, and Sagrario Angulo, from the Camari[69], organization, which represented all the country's fair trade organizations[70]. was made official. This edition was the first to be held in Latin America.

Finally, it is worth mentioning that, in 2021, based on the convergence of interests between the Inter-institutional Committee for the Promotion of Fair Trade in Ecuador and the non-profit entities involved in the "Project to Support the Sustainable Development of a Cacao Sector of Excellence in Colombia, Ecuador and Peru - Cacao Bioandino", a consultancy was suggested to propose a national regulatory framework for the development and promotion of fair trade, defining concepts, scope and a standard for the country. During the development of this study, the specific proposal derived from this consultancy had not yet been published.

[68] See: https://comerciojustoquito.com.ec/

[69] See: https://www.camari.org

[70] See: https://ftt-conference2021.org/events/closing/

5.6 Chile

In Chile, in 2014, in the Associativity and Social Economy Division of the Ministry of Economy, Development and Tourism, a "Public private advisory council for cooperative development and social economy" was created as a space for dialogue and meeting between the governmental authorities and actors from the cooperative world, fair trade organizations and B Corporations. This council had to represent a mechanism that aimed to advance concrete proposals to strengthen the sector and promote a more equitable and inclusive development.

The council met for the first time in June 2014 and was structured into six working groups: Access to services, Innovation, Skills and training development, Public Policy Design, Regulatory review, Sectoral.

The 2015-2018 action plan included six strategic lines, four external (sector development, training and promotion, capacity improvement and gap reduction, regulatory framework and control) and two internal (monitoring, follow-up and evaluation; internal management modernization).

The revision of the cooperatives regulatory framework was carried out, including Decree 139 (November 28th, 2020) which modified the regulation of the Cooperatives General Law.

Regarding the public policies for the promotion and control of the cooperative sector, based on Radrigán (2021, pp. 137-151), we can mention the following actors and related program lines.

In the Ministry of Economy:

1 The actions of the Associativity and Cooperatives Division aim to optimize the monitoring instruments and legal and accounting supervision; modernize the attention systems for the cooperatives; and focus on promotion and training programs;

2 The initiatives of the Technical Cooperation Service (Sercotec), established in 2010, are: a) Guild Strengthening Program; b) Support Program for "Free Fairs" (neighborhood markets); c) Commercial Neighborhoods Program. As of 2015, the following were added: d) Program of Union and Cooperative Strengthening; e) "Juntos" (Together) Program, Associative Business Fund.

In the Production Development Corporation (CORFO), the main programs that focus specifically on cooperatives are:

a) Business Strengthening Program for Savings and Credit, and Agricultural Cooperatives;

b) Financing Program for Non-Bank Financial Intermediaries, IFNB;

c) Flexible Assignment Seed Subsidy Program, to support Social Innovation Enterprises;

d) Social Innovation Prototype Program;

e) Innovation Validation Program;

f) Support for the Formulation of Indigenous Projects, APROFIN;

g) Indigenous Coverage, COBIN;

h) Forestry and Agriculture Sector Associative Network Program.

In the Ministry of Agriculture, the following three are related services:

1 Institute of Agricultural Development, Indap;

2 Economic Association Program, PAE;

3 Foundation for Agrarian Innovation, FIA (especially with the Program for the Innovation of Agri-Food Cooperatives, which was held between 2014 and 2018).

In the Ministry of Social Development and Family, especially through the Solidarity and Social Investment Fund (FOSIS), which focuses on the most vulnerable individuals and families, which has the "Yo Emprendo" Program, whose lines of financing also include self-managed group initiatives for entrepreneurship.

In the Ministry of Foreign Affairs, it is the General Directorate for Export Promotion (ProChile) which has been promoting:

a) The Peasant Family Agriculture Program, that also focuses on internationalization;

b) The Program for the Internationalization of Native Peoples;

c) Business conferences for cooperatives and the promotion of sustainable trade.

Meanwhile, regarding the regulatory framework of public purchases, it is important to mention that the Regulation of Law 19.886 on bases of administrative contracts for the supply and provision of services, foresees, in its article 23, paragraph 3, that public institutions may include rules for institutional acquisitions in their bases such as «criteria and weightings assigned to bidders, derived from matters of high social impact [...] *matters of high social impact, among others, shall be understood as those related to compliance with norms that favor the environment, hiring people in a situation of disability or social vulnerability, and other matters related to inclusive development; as well as the promotion of smaller companies and decentralization and local development»*[71].

It is an open opportunity specifically for those public entities that seek to promote sustainable development with a social impact through their purchases.

However, despite not having certain information, up to now, this option does not seem to be widely used: *«Public purchases should be the great driver of policies that aim to promote cooperatives and fair trade at the national level. The Junaeb proposed it; however, we do not know if this policy is working well and if it really benefits small producers and beekeepers»* (Juan Eduardo Henríquez, interview).

In 2016, the National Board of School Aid and Scholarships (Junaeb) announced that, as of 2017, suppliers of the School Food Program (PAE) had to buy 15% of their inputs from local family farming suppliers or 10% from laggard areas[72].

This "Purchasing Policy for Small Local Producers and Laggard Areas" contemplates the following food categories: cereals, fresh fruits, vegetables, greens and potatoes, legumes (rice, beans and quinoa) and honey.

The role of concessionary companies is essential for its operation and that is where there are still doubts, since *«these concessionaires generally make food purchases centrally and then distribute them throughout the country, generating great inefficiencies: transferring products through long distances, ultimately affecting their freshness and quality. This is why this marketing channel is currently supplied mainly by large intermediary companies that have the logistical capacity to collect and transport large volumes of products»* (Bravo, Sotomayor y Mulder, 2022: 43).

According to Bravo, Sotomayor y Mulder (2022: 43), *«sales from family farmers to JUNAEB concession companies tripled between 2018 (US$1,211,464) and 2019 (US$3,989,046). Vegetables predominate (60%), followed by potatoes (24%) and fresh fruits (20%)»*; in this sense, the data collected by the authors shows an interesting development.

The Intercommunal Peumo Farmers' Cooperative Ltda. (Coopeumo), which was also certified in fair trade[73], is considered «the most advanced peasant cooperative in the country»; however, *«sit only has 9 partners who feed into this system (out of a total of around 400 partners). These data reveal that there is still a great unexploited potential»* (Bravo, Sotomayor y Mulder, 2022: 43).

In our opinion, the incorporation of a special weighting to promote purchases from fair trade actors in Chile[74] would be plausible, within this regulatory framework, only and when public, private and civil society wills are channeled towards a strategy or clearly defined policy that commits public institutions to the promotion of fair trade. Otherwise, the experiences

[71] See Decree 205/2004: https://www.bcn.cl/leychile/navegar?idNorma=230608 index_en.htm

[72] See: https://www.junaeb.cl/archivos/24812

[73] To understand what happened to the cooperative and the "minor products" issue in the Fairtrade system, we recommend reading "The 'minor products' in international fair trade", article by Marco Coscione available at: https://elpais.com/elpais/2019/04/06/alterconsumismo/1554577354_104453.html

will always be limited and will depend on the particular wishes of certain institutional decision makers.

Meanwhile, only when the concept and practices of fair trade are able to be adapted to the national reality, will it be possible to involve many more micro and small family businesses, cooperatives and producers' associations, as well as companies with a high social impact, making it possible to expand the range and volumes of fair trade products available in the local market, under the definition and principles adopted at the national level *«Fair trade would be a very important added value in public purchases. By having regulations that encourage public purchases of fair trade products, we could see an important development of the movement in Chile, with many more organizations from different sectors participating in it: grains, vegetables, fruits, etc. If this public recognition existed, surely many companies and organizations would be certified. Obviously, this is associated with a national regulation that defines fair trade, recognizes current certifications and standard compliance, and establishes different benefits for companies that prove to be sustainable through this approach»* (Robin Ramakers, interview).

Beyond the aforementioned advances, the construction of a Social and Solidarity Economy public policy, which may focus specifically on fair trade, is still missing; or a specific public policy for the fair trade sector, as we have seen in the Brazilian and Ecuadorian cases. *«Several years ago, some of us met, all working in different public entities and understanding the importance of fair trade and the need to promote it, also in Chile»* Bárbara Araneda, a support professional from the Regional (Metropolitan Regional) Secretariat for Women and Gender Equality, told us: *«However, I feel that this issue has not been able to rise from the technical level to the political decision-making level; therefore, nowadays we have, before us, the challenge of having a new Government that can lead more economic autonomy processes for women, productive empowerment, organization and associativism, among other fair trade related aspects»* (Bárbara Araneda, interview).

During the development of this study, the national authorities celebrated the International Day of Cooperatives (July 2nd), precisely in the Coopeumo

cooperative. The President of the Republic himself, Gabriel Boric, led the celebration, stating that *«cooperatives had to play a much more important role than the one the State had given them [...], because they are an example that society can be organized in a different way»*. In this context, the President announced the implementation of a National Plan to strengthen the Peasant Family Farming Cooperatives, as well as Indap's promotional services[75]. Promoting cooperatives will also entail greater resources through the increased coverage of the CORFO and Sercotec programs, within the "Inclusive Recovery Plan – Chile Apoya"[76] .

Finally, we should mention the announcement that President Boric made during his first public account, in which he referred explicitly to the creation of the National Institute of Associativity and Cooperativism (INAC), *«to make these activities a well-known and attractive alternative for our economy»* (Boric Font, G., 2022: 38).

[74] Initiative 11, also foreseen for the previous **Proqualitas Consultroes (2016: 217) study.**

[75] See: https://prensa.presidencia.cl/comunicado.aspx?id=197248

[76] See: https://www.gob.cl/chileapoya

6. Conclusions

6.1 International fair trade, from the point of view of Chilean producers

As we were able to see from the main data characterizing Chilean fair trade, in relation to international circuits, , in recent years there has been a significant decrease in certified products exports, both of handicrafts and agricultural products.

Amounts of fair trade exports (euros)

	Handicraft products	Agricultural products
2018	261.026	18.594.315
2019	268.857	16.152.124
2020	175.443	15.251.802
2021	163.837	15.012.072

As a direct consequence, the fair trade premium that organizations invested to develop their organizations, producers, workers and communities also decreased, from 514.205 euros in 2018 to 370.830 euros in 2021.

In relative terms, as we saw, the percentage of certified sales over total sales amounts fell by 7,5% between 2018 and 2020, and rose again in 2021, but remaining 2,9% lower than in 2018.

The negative trend of recent years, in terms of certified sales, may have influenced the decreasing number of fair trade companies in Chile which, after growing from 40 in 2016 to 57 in 2019, dropped back to 46 by when this study was developed.

These facts surely influence the perception of fair trade at the international level which, from the perspective of Chilean productive actors, is not very favorable at this time.

As we saw during data collection, only 7 of the 15 handicraft organizations have exported or are exporting; and in agriculture, the percentage of sales done under fair trade standards, out of the total amount of exports, is still low and has decreased from 34,18% in 2018 to 30,84% in 2021.

If we add to this a relatively low number of companies and agricultural organizations at the national level, a limited number of certified products available, as well as the status of "minor products" that is attributed to them within international fair trade circuits, we can easily understand that a qualitative and quantitative leap in the perception of international fair trade from Chile requires a convergence of factors both from the international trade demand and national institutional support point of view.

In the interviews with the Fairtrade International system actors, the need to have a really unique story that attractively describes the impact of fair trade in Chile is also highlighted. Otherwise, buyers committed to fair trade tend to look for suppliers in other countries, which are perhaps less developed than Chile, country member of the Organization for Economic Co-operation and Development (OECD) since 2010.

6.2 Local fair trade markets in Europe

Due to their geographic and climatic conditions, European and Chilean agricultural productions are not complementary, but are quite competitive, despite the opportunity offered by the counter-seasonality of both hemispheres.

Chile's typical fair trade agricultural products (grapes, wines, honey, nuts, berries, etc.), and others that could be certified (olives, olive oil, other fresh fruits such as apples, pears, kiwis, almonds, among others), are also produced in Europe, North Africa and the Middle East and, based on the comments we received, European companies buy them in the Mediterranean area at lower prices that those imported from Chile.

Furthermore, the trend towards local fair trade growth in the North (as we particularly saw for the cases of Belgium and France) generates concern among fair trade producers in the South.

More and more responsible consumption and fair trade organizations seek to combine local and organic products with fair trade products that are not produced in Europe (especially coffee, cacao and derivatives, exotic fruits), creating diversified baskets that include, for example, honey, nuts or wines from cooperatives or local enterprises, and no longer from the Southern part of the world. The effects that this Northern fair trade production development will have on the South is still difficult to acknowledge, but they should be carefully monitored.

6.3 Fair trade in Chile, with a track record in production, but still incipient from the consumption point of view.

Despite the fact that some Chilean producers' organizations have been in international fair trade circuits for more than 20 years, the general feeling we had during the interviews is that, despite certain isolated initiatives, the fair trade movement in Chile is still incipient, , for various reasons, including the low cooperation between all the certified organizations. According to Juan Eduardo Henríquez, manager of Apicoop,

«[…] *There's still a lot to be done for fair trade in Chile. We still do not feel the presence of a culture based on responsible and solidary consumption. As Cooperativa Agrícola Agronuez Choapa we have also participated in establishing activities, such as the fairs in Santiago, but for organizations like ours, unlike crafts family businesses, these fairs turn out to be more an expense than an investment, a lot of effort is put in for a few sales*» (Juan Eduardo Henríquez, interview).

The significant unawareness of the concept and practices of fair trade, despite the growing trend of commitment to business sustainability, shows the need to deepen the work in society as a whole, by coordinating with various actors, both productive (especially from the cooperative, social and solidarity economy) as well as commercial, social and political.

«*Para un comercio justo en Chile hay mucho por hacer. Todavía no sentimos la presencia de una cultura de consumo responsable y solidario. Como Cooperativa Agrícola Agronuez Choapa hemos participado también en actividades de posicionamiento, como las ferias en Santiago, pero finalmente para organizaciones como la nuestra, a diferencia de los emprendimientos familiares artesanales, estas ferias resultan ser más un gasto que una inversión, mucho esfuerzo por pocas ventas*» (Bella Villareal, interview).

Especially in the field of fresh and more perishable foods, stable trade channels and safe volumes are needed to open a national fair trade niche. In this sense, , the various supermarket chains could and should play a more active role. This is undoubtedly a call for the retail sector, for large distribution, but also for SMEs that work in distribution and marketing

In a consumption-based society, sustainability is built through profound changes in production, trade and consumption patterns. Chile has all the potential to lead these changes, especially if the commercial actors that lead the world of mass consumption adopt clear policies to promote fair trade and, through them, reduce inequalities along the value chains. It is not about inventing the wheel, this is what many companies (large, medium and small) around the world did.

However, there is no doubt that consumers must play a more active role in pressuring commercial actors to change their purchasing policies:

«*From my point of view, to promote fair trade in Chile, we need to build an emotional and high-impact story that the consumer can clearly undertake to claim fair trade products from commercial actors. In this sense, promoting fair trade must be intensified much more from the consumer side. If the consumer does not look for fair trade products, buyers and distributors will ultimately have no incentive to place them in the national market*» (María de la Luz Mella, interview).

The convergence of the wills of various actors (national and local public actors; large, medium and small distribution and trade companies; the national cooperative sector; as well as civil society entities and social organizations) is the key so that, in the trends towards sustainability that are being shown in Chile, how and who produces and trades the products we consume daily in the country, can also effectively be considered.

6.4 The role of women on both sides of the value chain

The market study that CLAC commissioned to Rimisp highlighted that 88% of those who buy fair trade products are women, 86% of whom are between the ages of 26 and 46 and almost all have higher education. These numbers are consistent with the results of the consumer survey that ProQualitas carried out in 2015.

In other words, the role of women in consumption continues to be preponderant. From the production side, women's leadership is very evident in the world of handicrafts,where women represent 98,4% of the artisans who belong to fair trade organizations and 81% of the artisans from whom organizations buy handicrafts. Women maintain artisanal traditions alive and transmit them within their families.

Various public efforts have been concentrated towards women artisans and heads of household, and it is no coincidence that the "Gender and Fair Trade Roundtable", set up at the institutional level, is led by the Ministry of Women and Gender Equality and CORFO, having a clear focus on the socioeconomic strengthening and empowerment of women.

In agricultural production, as Julio Cáceres from Indap Maule also told us, the most recently founded peasant organizations are composed mostly or entirely of women:

«The advances in women's empowerment and leadership processes in rural areas are visible, something that several decades ago was complex and hard to see. Today, at national level, there is a more evident balance in rural associativity. Both the new legislative frameworks and the gender approach for support programs have contributed to this situation» (Julio Cáceres, interview).

The process of empowering women in fair trade small producers' organizations has been visible in recent years and leads to very relevant leaders such as, just to give an example, Mrs. Bella Villareal, General Manager of the Agronuez Choapa Agricultural Cooperative.

However, as stated by Robin Ramakers (interview) from Ecocert Chile, the need to deepen these processes with the agricultural workers that belong to certified companies is still evident: *«In the Fair For Life certified companies, I feel that progress is still needed in terms of empowering women agricultural workers. The standard may not yet be sufficiently incisive in this aspect and in the active promotion of the gender approach, as well as non-discrimination and equity in terms of wages».*

Surely there are still challenges in this area; especially today when gender approaches have become very relevant both internationally and nationally.

6.5 Climate change and intergenerational sustainability, two great challenges

Something that is becoming increasingly evident, is that climate change is a great challenge for agricultural production, especially regarding water management:

«In this water scarcity scenario, public policies for rural development should clearly focus on efficient water management, water accumulation and harvesting systems, technical irrigation, etc., for a sustainable use of water in crops. And we producers must understand the priority of these issues and prioritize investment in them, otherwise we won't see any results» (Gerardo Orellana, interview).

All the productive actors of agricultural fair trade in Chile clearly recognize this: if urgent measures are not taken for local adaptation, but also for mitigation at a global level, the consequences for crops will be dramatic: *«How to rethink these issues and link them to responsible consumers is the great challenge. Because, in the end, we are almost talking about "disappearing worlds", territories developed thanks to an agricultural culture that is now at critical risk of disappearing»* (Ingrid Allende, interview).

Rethinking and rewriting the human relationship with soils and water cycles is urgent and necessary, particularly in terms of regenerating what we destroyed and lost for many decades.

Another great challenge is, undoubtedly, the generational change and guaranteeing the continuity of agricultural and artisan work and the sustainability of fair trade organizations.

According to Ingrid Allende (interview) this challenge forces us to rethink organizational management in a more inclusive way, while involving the entire family: *«we are seeking to promote general assemblies with the participation of members and their families, for wives and children to be involved and informed about the development of the organizations. That way, they can also participate in a particular project or in the actions that some organizations are carrying out in terms of local sales of finished products and derivatives»* (Ingrid Allende, interview).

7. Recommendations

7.1 In the commercial field

7.1.1 Increase and diversification of buyers in Europe

Deepening the work on fair trade products demand (in this case, in Europe), is something that practically all the actors included in this study consider to be too relevant for the sustainability of Chilean fair trade organizations. Especially for Chilean products which, within the international agricultural fair trade circuits, are characterized by lower sales, where not enough resources are invested for marketing actions and commercial positioning.

In this sense, something very relevant that Marcela Cofré (interview), told us, especially for the handicrafts sector, is the need to broaden the search for potential buyers, involving more and more companies in transparent and sustainable trade dialogues, even if they are not interested in buying under strictly fair trade conditions. In other words, "companies with a purpose" with which fair and sustainable deals can be established, even if they do not seek to add value through certification.

Víctor Aguilera (interview) told us the same thing when he mentioned that creating new commercial ties, while not necessarily fair trade certificated, can only work if the demand for sustainable products from small-scale producers increases; this supply is constantly increasing but it cannot find enough sales spaces: *«beyond the traditional fair trade channels, there is a world of companies, distributors and supermarkets in Europe with which we need to establish direct relationships, raise awareness and convince them to work with responsible and sustainable suppliers, such as organic or fair trade suppliers»*.

According to several interviewees, the European Union should be a fundamental promoter of fair trade support instruments from the demand side: *«¿What role does the European Union really play in promoting fair trade with companies, buyers and importers, beyond consumer awareness? I think this is a key issue. Regarding this study, for example, how are we going to provide continuity to this work? How are we going to deepen the rapprochement between demand and supply for certified Chilean products? Is there going to be a promotional campaign at the European level?»* (Ingrid Allende, interview).

It would definitely be counterproductive to continue growing from the supply side if the producers who've been certified and are enthusiastic about the model cannot find buyers, just because the demand does not keep up with the certified products supply.

On the other hand, a greater commitment should also materialize from the ProChile offices in Europe to search for buyers (including small and medium-sized companies) that are sustainable and willing to establish contracts under fair trade conditions. In this search, collaboration with the embassies of the European Union countries located in Chile is also relevant.

Finally, as Paolo Pastore from Fairtrade Italia told us, fair trade organizations should only be present at the main international fairs (such as BioFach and Fruit Logistica) and should organize "one-to-one" missions with importing companies, so they can get to know the producers directly and establish a deeper human connection with them, to build an impactful story that really reaches consumers.

7.1.2 The commercial potential of Chilean products

In the handicrafts sector, the panorama described by the interviewees is not very promising. However, some interesting aspects to consider were also mentioned. On the one hand, the need for an increasingly close relation with the fashion world, to reach the necessary adaptation of textile crafts to meet the standards and requirements of the industry. On the other, the opportunities offered by specific household products, which continue to maintain their demand.

According to Julio Cáceres (interview), from Indap Maule, *«following the results of the external evaluations contracted a few years ago for the seventh region, handicrafts made of wood, wool, and clay could be the most exportable»*.

In this sense, starting a pilot with "Madera Justa" could really represent an opportunity for rural communities in the south of Chile, and Fundación Copade is open to look for options for collaboration and pilot projects in the country.

Two interviewees also told us about the potential of Chilean wool despite the competition from Peruvian or Bolivian alpaca wool. In this sense, building a unique story that shows the reality of Chilean fair trade in an attractive way is once again necessary: *«Building an attractive social, economic and environmental story, to add greater communicational value to the work of women weavers in different territories around the country, such as Chiloé in the South or the altiplano in the North, would help positioning quality Chilean textile products in European markets. Here in the Netherlands, as in other countries, I feel that the consumer is looking for finished products with high added local value, that convey a story that really connects the consumer with the artisan or producer»* (Víctor Aguilera, interview).

We received the same comment about the so-called "superfoods", in particular the maqui, a harvested product with social and community organization aspects that are very relevant to the movement, on which one could work to add fair trade value and generate sufficient international demand.

Following this, according to Soledad Valdés (interview), there is potential for certain products, those that have been harvested, cultivated, or those from forest areas: endemic berries, aromatic herbs, and fungi and mushrooms;women groups with different levels of organization have been working in these areas, but it would be necessary to promote a further aggregation of local value to generate products with more potential to be exported to the EU and to market them in the national market.

According to several interviewees, for countries like Chile, that experience competition by having the same or similar local products that are produced in Europe, as well as price competition from other regions of the world, the bet for European markets should be based on endemic products, only found in Chile, and on adding value; not only through certifications, but also through industrialization, guaranteeing processed and attractive fair trade products for various markets.

Among the processed products, Julio Cáceres (interview) mentioned the potential of dehydrated fruits (especially peaches) and sweet potato-based functional foods, among other processed foods that comply with Chilean legislation.

However, we must mention that for all "novel foods" there is a non-tariff barrier as indicated by the SUBREI in its 2022 cadaster. The Agricultural and Livestock Service (SAG) reports that, regarding the "Requirement for special authorization for sanitary and phytosanitary reasons" (A14 according to the UNCTAD Classification), *«The European Union requires that, in order to export foods that have not registered shipments to that market or a significant local consumption until before 1997, the countries or exporters must present a dossier with extensive information on the product, to be submitted to a technical and scientific evaluation by the European Commission, and eventually by the European Food Safety Authority (EFSA)»* (SUBREI, 2022: 49).

According to this document, in Chile *«preliminary evaluations have already been carried out for the preparation and presentation of the dossier to export maqui (Aristotelia chilensis), considered a traditional food in Chile, but new in the EU. In addition, information has been collected for the cochayuyo, led by the Undersecretary of Fisheries and Aquaculture (SUBPESCA)»* (SUBREI, 2022: 49).

Given the comments we received during some of the interviews, it is important for Chilean authorities to consider this aspect and financially and technically support the development of the dossiers required to export novel foods to the European Union: *«Public-private coordination is required to identify commercial opportunities and allocate financing to pay for the chemical analyzes required to present the products to the European authority»* (SUBREI, 2022: 49).

Other products with potential could be well-worked leather products (excluding shoes), which still have a market, as Juanjo Martínez (interview), mentioned, especially since consumers highly value quality and "handmade" products.

Meanwhile, among others, Víctor Palma (interview),), from the Image of Chile Foundation, who is in charge of the Chilean Country Brand (Marca Chile), told us that there is an interest from different international markets for seafood, fish, shellfish and algae. Especially in Asian markets, but, in the case of products with greater added value, also in Europe: *«For example, natural snacks based on cochayuyo, or other seaweed are well valued, and connect with the world of seaweed collectors or "algueros" that is so typical of Chile, from where talent, effort and powerful messages are transmitted. We also see a well-marked interest in Chilean cherries, but from the Chinese market, not the European one»* (Víctor Palma, interview).

Algae possesses a potential, both present and future, which was also identified by Álvaro Goicoechea, CEO of Fairtrade Ibérica, and (interview), from GEPA, especially due to the nutritional aspects of these products.

However, it must be noted that *«both through the raw material processing and packaging preparation, an attractive product for consumers must be achieved, otherwise it will be difficult to sell»*.

The algae would imply the chance of adding local value, going from exporting the simple dry raw material to derived products, such as snacks, creams or other food or cosmetic products. This would also allow to open new trade channels in Chile. Algae, as we heard in the Alessandro Cantù interview, could also be relevant for the fair trade cosmetics' world.

Several interviewees consider that the fair trade movement has great potential to develop a line of artisanal fishing in Chile; in this sense, the country's fishermen and collectors could benefit from a new market trend, especially if both international and local alliances are established.

Finally, as we saw from the data gathering, one of the fair trade agricultural organizations received a request for almonds and hazelnuts, despite not trading these products. It is worth mentioning that the company Ferrero, an Italian group that has been operating in the country for more than 30 years with the subsidiary AgriChile, and that in 2018 won the "Fairtrade Award" in the "Manufacturers" category for its commitment to the Fairtrade Cacao Program[77] is betting on Chile with an investment of US$50 million for a new European hazelnut processing plant in the Ñuble region.

The Ferrero company *«predicts that Chile will supply all the company's processing plants in South America and North America, positioning itself as the third company for hazelnut supply, after Turkey and Italy»*[78].

Could it also become a fair trade partner in Chile, as it is, for example, in the Mauritius Islands for sugarcane small producersr?[79]

7.1.3 The commitment of new buyers in Chile

Faced with the above-mentioned international situation, the national market should be used to build a new fair trade niche, while considering the cultural and economic barriers that still exist, but also the opportunities offered by advances in corporate sustainability: *«Some companies such as Miguel Torres or Ecoterra have, in the past, tried to position their products with the Fair For Life label, in the national market. But they realized that it wasn't enough to attract the consumer; ultimately, price continues to be an important barrier in consumer decisions and fair trade certification failed to break this barrier. There is still a lot to be done. Today, in this new national situation, it is worth trying again»* (Robin Ramakers, interview).

To develop a fair trade niche market at the national level, however, a greater variety of finished fair trade products has to be made available to consumers; therefore, more enterprises and producer organizations have to be willing to join the movement. Meanwhile, this possible national offer needs productive and commercial actors to leverage it, to sustain it over time and guarantee stable, transparent and fair marketing channels.

Durante el desarrollo de este estudio, nos sorprendió la escasa disponibilidad del mundo del retail chileno a un diálogo abierto sobre este tema. De hecho, no logramos llevar a cabo entrevistas con ninguna de las cuatro empresas del retail más importante del país.

This is striking, since the creation of fair trade product lines in European supermarkets has allowed the expansion of certified products' sales and, therefore, expanded the fair trade impact in the producing communities.

These steps have already been taken on other continents; therefore, implementing them in Chile would not be complicated. In fact, several supermarkets around the country are already selling fair trade products;

[77] See: https://www.ferrero.com/news/Ferrero-Wins-Fair-trade-Award-2018

[78] *«Based on the figures from the Odepa-Ciren fruit cadaster, by 2021, 24.456 hectares of hazelnuts have been registered in Chile, representing 7% of all the fruit planted in the country. In this context, a constant growth is projected for this area, estimating that there will be 45.000 to 50.000 hectares by 2025"; in Press News of the Chilean Ministry of Agriculture:* https://www.minagri.gob.cl/noticia/grupo-ferrero-busca-posicionar-a-chile-como-uno-de-los-principales-productores-de-avellana-a-nivel-mundial/

[79] See: "Ferrero e il Sustainable Development Program in Mauritius": https://www.altromercato.it/per-le-aziende/progetti-di-cooperazione/ferrero-e-il-sustainable-development-program-in-mauritius/

these as processed products, particularly in Europe, which use certified raw materials from the South (see Annex 4).

However, there is still no corporate policy or strategy that shows the retail companies' commitment to fair trade, nor is there a specific and adequate positioning and marketing for these products to attract the final consumer.

In Chile, we have retail companies that have a regional presence in several Latin American countries, which could easily promote the mass consumption of certain fair trade products, and even open south-south fair trade channels, by marketing Chilean products (for example, wine) in other countries of the region where they are not produced, and vice versa.

However, until now, the protagonists of the national sales of fair trade products have been, on the one hand, the fair trade companies and organizations themselves, by selling their own products; and, on the other, small and medium-sized companies that promote the processing and sale of other fair trade products in Chile, which have been made with imported certified raw materials. For example, coffee, an item for which, for the first time in the country, two Chilean companies (Outlet del Café and Kenos Café[80]) have been certified as "small buyers" according to the Small Producers' Symbol standard. They now promote specialty and sustainable coffees through south-south fair trade relationships[81].

Efforts of the public sector and international organizations should also be concentrated towards a greater involvement with fair trade in Chile, both by retailers and other large companies, as well as SMEs. Through public-private alliances, more inclusive strategies can be achieved to build new marketing channels, engage other companies with the movement, and reach more consumers.

In terms of alliances with other national companies, the case of the Apicoop cooperative is once again outstanding. One of the most interesting trade relations that it has established is with the beer company Kunstmannn[82]. Apicoop started with 20 kilos for initial testing and today it sells to Kunstmann 200 tons of honey a year (almost 30% of its national sales in 2021): *«this relationship has become very strong and the beer "Kustmann Miel" is a total success»* (Juan Eduardo Henríquez, interview).

Will we ever have a fair trade beer in Chile? Relations of this type could seriously facilitate the positioning of fair trade products in the national market.

Finally, Marcela Cofré (interview) also told us about the option of working with the tourism sector, especially with cruise companies to present local craft products during the voyages, even developing practical workshops that take up a certain amount of time in the cruise. Calypso Chile, company included in this study, has already experience in this niche and considers this to be a space that several fair trade handicraft organizations could explore

7.2 In the relations with citizenship

7.2.1 Advocacy actions for fair trade in Chile

Chile is experiencing a moment of change, of opportunities to strengthen advocacy actions in society and in favor of a deeper dialogue with state, regional and local institutions.

Since the authorities change, there has been, in several areas, a new interest in working with associative and cooperative productive and trade actors; after several years, during which the emphasis was strongly placed on large exporting companies.

Soledad Valdés (interview), qwho has for a long time led the National Program for Family and Peasant Agriculture at ProChile, told us, during the interview, about the chance that the different "new economies" (social and solidarity economy, fair trade, common good, among other approaches) have to take on a greater relative role compared to

[80] See: https://www.outletdelcafe.cl y https://kenoscafe.cl

[81] See: Marco Coscione (2021), "South-South fair trade between Colombian and Chilean SMEs", available: https://es.linkedin.com/pulse/comercio-justo-sur-sur-entre-pymes-de-colombia-y-chile-marco-coscione

[82] See: https://cerveza-kunstmann.cl/especialidades/miel/

recent years, and that new programs to promote these economic and commercial approaches can be promoted.

However, in order to strengthen advocacy actions from the movement in Chile and achieve institutional support, several interviewees highlighted the need to hold a stronger national articulation, that goes beyond the differences between the various certified actors: *«There is the Fair Trade Association of Chile, but not even half of the certified companies are part of it. I think it is a missed opportunity to join forces and install fair trade in the national market»* (Robin Ramakers, interview).

A stronger national articulation, as we have seen, could assume more responsibilities and carry out advocacy actions in a well-coordinated manner and on behalf of all fair trade actors.

7.2.2 A large national awareness campaign

The interviewees recommend developing a national information and awareness campaign with authorities, companies and consumers: *«In Chile, the concept of fair trade is not very widespread among consumers. There is a lack of strong awareness campaigns at the national level to provide a clear sense of what fair trade is. And there is a lack of strategic relationships with the world of retail and supermarkets. We know that in Chile there are key players in this area, who are present in several Latin American countries. With them, like CLAC, we would like to work on a fair trade line for their supermarkets»* (Felipe Zúñiga, interview).

A national campaign of this type undoubtedly needs an attractive story, good communication tools and contributions from various sectors, both public and private, who are fully in tune with the multistakeholder approach that characterizes the movement.

The current "Gender and Fair Trade Roundtable" could be the starting point for the promotion of this broad intersectoral alliance. Once the story has been adapted to the national reality and the objective of the alliance has been established, and once the campaign concretely begins to raise awareness about what fair trade means and the nature of its actors, we have no doubt that more and more actors will join the movement, as they have done in many parts of the world, thus generating a greater impact on the farmers, artisanal fishermen, and artisans communities.

7.3 In the political sphere

7.3.1 Constant updating of the main data on the sector

This study's biggest challenge has been, without any doubt, gathering quantitative information for the characterization of the fair trade sector in Chile.

At the moment, this characterization is only possible if fair trade companies and organizations agree to share their data, which, unfortunately, has not been achieved 100%. Also because, as Ingrid Allende (interview) mentions, *«in general, there is an imbalance between the information that the institutions request, from the organizations, for projects, studies or diagnoses and what the organizations receive in return, in terms of market information that does not necessarily generate commercial contacts and/or sales»*.

Doing this type of data collection on a regular basis, with the double objective of keeping the sector visible and connecting it with international markets and national public entities, the commitment of fair trade companies and organizations, with this sort of process, could increase by being recognized periodically in a sector that seeks to strengthen, grow and make itself known.

In this sense, we recommend the Chilean government to establish a specific budget to publish a "Statistical Yearbook of Fair Trade in Chile", following the example of Ecuador, where, since 2016, ProEcuador (part of the Vice Ministry of Exports and Investments Promotion) has published a report that includes the main data and challenges of the sector on an annual basis.

Having a quantitative and qualitative characterization increasingly closer to reality is also a mandatory step to base political advocacy actions and trade marketing. Collecting information could initially start with direct work with the organizations; however, as Ingrid Allende (interview), reminded us, it must aim to codify certified fair trade exports, as is done for organic products. To do so, a national regulation that clearly recognizes the existing certifications and promotes the statistical monitoring of the certified trade channels is required.

7.3.2 Towards a public policy for the sector

Despite the fact that there is still no clear public commitment to fair trade, in all the conversations and interviews that we held, the need for greater involvement from the State was perceived, with the aim of developing the fair trade sector in the country and take advantage of the opportunity that the current socio-political situation offers: *«Despite the fact that the authorities look favorably at the fair trade approach when we explained it to them, the issue has not escalated towards a strategy or public policy for the sector. Considering this development may always seem feasible, but a clear political will is needed to build it and execute it»* (Rodrigo Constandil, interview).

Based on the experiences of countries such as Brazil and Ecuador, we believe that the time has come to build, together with public, private and civil society actors, a concrete proposal for public policy or strategy to promote fair trade at the national level.

This was also evidenced in the four focus groups that were organized during the previous study (Proqualitas Consultores, 2016: 191), in which public policies, particularly public procurement, were considered as one of the main strategies for promoting the sector, as well as consumer education and academic training on fair trade and solidarity economy.

According to María de la Luz Mella (entrevista), the current situation is propitious for the construction of a public policy that promotes fair trade; *«However, we need to understand how it can be translated specifically into support for the sector, while ensuring that this support does not contrast with other productive sectors»* and, possibly, break principles such as free competition in the markets, which is established by law[83].
In his opinion, *«l«the Maule Region could surely lead, along with the national authorities, this construction in a participatory way, involving the different actors. They are slow processes, especially due to the distrust that prevails in the world of agriculture and private or union interests that can slow everything down; but they are important and necessary processes if we wish to continue forward towards a truly sustainable development»* (María de la Luz Mella, interview).

A public policy proposal, built in a participatory way, should, in our opinion, clarify what fair trade means in Chile from the outset. Agreeing on a common definition and establishing who can be recognized as productive and commercial leaders in the value chains; this is essential to be able, later, to establish the priorities and programmatic lines of a possible national fair trade strategy or of different focused and sectorial public policies for the promotion of fair trade and its actors in the territories, as well as for the development of the marketing channels and consumer awareness initiatives.

Therefore, the worktable that would

[83] ««Decree Law No. 211 that Sets Rules for the Defense of Free Competition, was published in the Official Gazette Edition No. 28.733 dated December 22nd, 1973, and its consolidated, systematized and coordinated version was established by Supreme Decree No. 511 of the Ministry of Economy, Development and Reconstruction of October 27th, 1980. It has been modified by the laws: a) No. 18.118, of May 22nd, 1982; b) No. 19.336, of September 29th, 1994; c) No. 19.610, of May 19th, 1999; d) No. 19.806, of May 31st, 2002; e) No. 19.911, of November 14th, 2003; f) No. 20.088 of January 5th, 2006; and g) No. 20.945, which "Perfects the System for the Defense of Free Competition", which was published in the Official Gazette Edition No. 41.546 dated August 30th, 2016»; see: https://www.fne.gob.cl/wp-content/uploads/2010/12/DL_211_refundido_2016.pdf

result from initiative 1, proposed by Proqualitas Consultores (2016: 207), should materialize soon and prioritize the construction of a public policy proposal for the sector. This table must include all the key ministries for the sector (Economy, Development and Tourism; Agriculture; Foreign Affairs), and may start from the experience of the already existing "Gender and Fair Trade Roundtable".

Finally, the European Union can also be one of the actors that support and participate in the development of this work. Its relevance in terms of international trade relations will help deepen the aspects related to market creation. We all hope that the project "Support for the Development of Fair and Sustainable Trade between the EU and Chile", which has made this study possible, is only the beginning of a more systematic commitment to fair trade within the Association Agreement framework which has been updated by the parts.

7.3.3 Elements of a public policy focused on fair trade

The main elements for a public policy, discussed during the interviews carried out for this study, point, with special emphasis, to the following themes:

a) Promotion of international and especially European demand for Chilean fair trade products;;

b) Public and private support for the sustainability of organizations and their territories, especially to face climate change and generational change;

c) Strengthening rural associations and cooperatives, with increasing inclusion and leadership of women and youth;

d) Development of a large national information and awareness campaign on fair trade and responsible consumption;

e) Construction of public-private alliances for the development of the national market;

f) Inclusion of fair trade as a more weighted element for public procurement processes;

These are issues that had also been addressed in the Proqualitas Consultores (2016: 197), study, where the following promotion actions were mentioned:

1. Support instruments for products with identified demand;;
2. Subsidies for the hiring of qualified personnel, highly required in the labor market;
3. Create and maintain more stable connections with international buyers;
4. Subsidies to pay for certifications;
5. Improve communication about existing support programs;
6. Specific fair trade and solidarity economy training for all key public entities officials that pertain to the sector;
7. Innovation instruments for fair trade products;
8. Constant marketing, awareness and visibility activities of the sector for the consumers;
9. Tax incentives for micro and small businesses;
10. Differentiated public purchases;
11. Promotion of a national fair trade labeling.

Regarding this last point, Marcela Cofré (interview) reminded us of the Peruvian experience. Since 2009, the Commission for the Promotion of Peru Exports and Tourism (PromPerú) offers companies exporting textile, clothing and decoration items, a standard of Certification of Good Fair Trade Practices (BPCJ).

This is a national label, based on the principles of international fair trade, which encourages responsible work within companies, as well as in their relationship with suppliers and customers, promoting transparency, dialogue and respect in business relationships.

Also, with regard to certifications and relations with the authorities, according to Ingrid Allende (interview) *«one should clearly understand what certifications are and what characteristics they have, how they differ and what they have in common. That is to not dilute the messages about fair trade, to avoid that all organizations could consider themselves in the same way, or that any producer organization can consider itself a fair trade organization and face the challenges of the markets»*, when the truth is that not all are prepared for the sustainability requirements that global agricultural supply chains are increasingly presenting.

Meanwhile, regarding the sixth point, Juan Eduardo Henríquez (interview),reminds us that, both at the national and local levels *«there is still a need to deepen the training of state, regional and local politicians and officials, so that they understand the difference in the approach and impact that cooperativism and fair trade can generate. For example, cooperatives have a special tax regime; nevertheless, every year after doing online our tax returns, the Internal Tax Service rejects it, supposedly because we have declared less income. We have to go to the service's office, explain the law to its officials, who change all the time, and wait months to clear up everything. There is no institutional framework that can truly manage different economic organizations»*.

The training processes should also be closely linked to the different sector's productive and commercial realities and to the promotion programs that may derive from a fair trade promotion strategy or public policy: *«Other priorities for public policy should be strengthening the education of technicians from various production areas and investing in applied research for the reality of small-scale agriculture. This also includes formal education processes, and awareness through campaigns, to link consumers, especially the youngest ones, to the reality of our farmers and their traditions, the quality of their products and the value of the history behind them»* (Felipe Zúñiga, interview).

The Apicoop manager also highlighted another fundamental element that policies promoting fair trade and cooperativism must consider: *«maintain the attractiveness of countryside rural life, otherwise young people will prefer to move to the city. This means road connectivity, internet connectivity, new technologies and mechanization adapted to the reality of family and peasant farming, not just of large companies»* (Juan Eduardo Henríquez, interview).

Finally, according to Felipe Zúñiga, from the Asociación Gremial de Vitivinicultores del Secano de Cauquenes (VIDSECA),*«a great public policy priority to promote fair trade must be identifying or creating trade channels in different markets. In this sense, the public-private alliance between the authorities and the retail world is essential, especially in this political juncture»*. (Felipe Zúñiga, interview).

Given Chile's current fair trade situation, we believe that this point is really the main challenge to address: the creation of new trade opportunities, both international and national. The engine that keeps this movement alive is, in fact, the commercial link, with clear, transparent and inclusive rules.

However, if we do not guarantee that the demand side responds to the needs and growth of the supply side, we will never be able to strengthen the value chain that unites Chile to countries that import certified products, especially in Europe, or that unites Chilean producers to responsible consumers nationwide.

We must continue working on this in the following steps.

8. Annexes

Annex 1
Summary of European market trends

Country	General trends	Trends in products of interest to Chile	Source of information
Germany	Sales decreases between 2019 and 2020. Strong decline in World Shops and crafts.	Stable honey sales Wine sales gone slightly up	Forum Fairer Handel (2021)
	"despite revenue losses of around five percent, fairly traded products in certain categories gained in market share and importance".	Honey and wine suffered sales volumes falls of 5 and 16% respectively	Fairtrade Deutschland (2021)
	Decreases in handicraft sales: *"with regards to crafts, the authenticity of the products, which has been promoted for decades, is today clashing with the preferences of mass consumers that we seek and their search for products that have a current sense of usefulness"*	For the future, the handicrafts market will be able to grow in quality textiles, with ecological and recycled raw materials.	Jorge Inostroza, GEPA (interview)
	Germany is the second largest organic products market in the world. Growing consumption of healthy products, preferably local.	Blueberries as a potential export niche for Chile, as well as functional products that have "superfood" characteristics such as seaweed, cochayuyo, maqui and berries in general.	ProChile (2020c)
	The distribution channel must be considered more than any particular products: for supermarkets, large volumes are required, while small stores demand only packaged products.	There is always demand for fair trade products; however, the offer is unsophisticated. In handicrafts, there is potential for jewelry with surgical steel instead of nickel, specially treated wool so it does not itch.	Survey to ProChile's offices in Europe
Belgium	The percentage of households where at least one Fairtrade product is purchased continues to grow. However, there was a 5% decrease between 2019 and 2020.	N/A	Fairtrade Belgium (2020)
	Increased consumption of local fair trade products. 73% of the surveyed population considers that fair trade should not only be limited to producers from the South.	N/A	Incidence (2020)
	During the pandemic, stores were closed for a long time, but operating upon request.	The decline in handicraft sales is a fact. Upward trends of "Kilometers 0" products, local fair trade and circular economy.	Patricia Vergara, Oxfam-Magasins du Monde (interview)
	«There is currently a lot of debate about the ecological footprint of imported products, and for the new generations environmental issues are going to be increasingly relevant. However, we believe it is important to continue to support small producers in the South [...]».	Increase in organic wine imports and the goal is to ensure that 100% of fair trade wines are also organic by 2030.	Wim Melis, Oxfam Fair Trade Bélgica (interview)
	The public-private alliance "Beyond Chocolate - Belgian Sustainable Cocoa Partnership" as an example for various industries.	There is a marked interest in cashew nuts	Stijn Decoene, Fairtrade Belgium (interview)

Country	General trends	Trends in products of interest to Chile	Source of information
Spain	Despite the pandemic, sales of fair trade products in 2020 experienced an increase of 3,6% compared to 2019, 5 million euros more in absolute terms. Fair trade shops continue to lose market shares.	This increase is mainly due to the sales of Fairtrade certified food through retail. Among handicrafts, textiles are the most relevant, followed by accessories and decorations.	CECJ (2020)
	International fair trade crafts crisis, but the world of textiles and fashion is becoming increasingly important. .	*"«[...] that two of the cotton products where we have obtained excellent results are quality pajamas and socks, with Fairtrade, organic and good grammage cotton». The other trend is clothing made from recycled material. Opportunity in household products with a concrete use.*	Juanjo Martínez, Oxfam Intermón y WFTO-Europe (interview)
	Also for Spain, the pandemic minimized sales, especially in the HORECA channel. In 2021 the recovery began. Being "fair trade" is no longer enough, we must delve into the impact stories, quality, and origin.	Opportunity to work with the industry to include minor products in a mix of raw materials to manufacture finished products, especially chocolates. Options for various fruits if we work with large importers who distribute throughout Europe. Opportunity with algae and their derivatives.	Álvaro Goicoechea, Fairtrade Ibérica (interview)
	Chile is the second largest fresh blueberries producer in the world. Its production is available between the months of October and April, when it is not available in the main world markets located in the northern hemisphere.	ProChile sees an opportunity for organic blueberries, recommending participation in fairs and working more with the retail sector.	ProChile (2020e)
	Development of the "Madera Justa" (fair wood) initiative in Spain. Possible options to work with indigenous communities to manage sustainable forestry and timber exports through the initiative.	The French company Leroy Merlin, which specializes in construction, decoration, DIY and gardening, is using certified wood to create furniture, floors, fences, booths, among other products; and more recently paper bags.	Marina Moreno Sanz, COPADE (interview)
	Chilean fair trade products have not yet a potential in Spain. There is significant potential for seafood, but from industrial fishing with a sustainability certification such as MSC.	Generally speaking, fresh fruits and dried fruits. For organic products there is limited potential for counter-season foods.	Interview for ProChile offices in Europe
Finland	The Fairtrade market in Finland has been growing recently, driven by the greater general sensitivity towards sustainability, by women, the younger population and those with higher incomes. However, in 2020, it also suffered the consequences of the pandemic, experiencing a sharp drop in the HORECA channel.	Growing consumer interest in fair trade and organic wines. Also, there may be interest in spirits, distillates, and avocados. Stable honey market, with no growth projection. Growing interest in cashew nuts	Juha Tanskanen, Fairtrade Finlandia (interview)
	N/A	There is a current potential for wine, fresh fruits, especially berries, nuts and handicrafts made by indigenous peoples.	Survey to ProChile's offices in Europe

Country	General trends	Trends in products of interest to Chile	Source of information
France	Clear increase in local fair trade products and large conventional distribution sales. Significant increase in organic products imports, including fair trade products.	N/A	CEF (2021a)
France	The country with the most SPP buyers; growing market with participation of several SMEs buyers.	Various growing products. There are no SPP wines yet but there is interest for nuts and seeds	Jerónimo Pruijn, SPP-Global (interview)
France	Ethiquable has grown a lot in recent years, especially due to the great increase in consumer interest for organic products.	The line of essential oils is growing. There is interest for organic hazelnuts, chocolates, and pecans.	Nicolás Eberhart, Ethiquable (interview)
France	First country in terms of Fair For Life certified sales	N/A	Fair For Life Chile
France	Clear tendency of organic products consumption.	Wine represented the largest item in 2019 for organic food purchases in France.	ProChile (2020)
France	Another growing trend is the consumption of healthy foods, which reduce the risk of disease and improve physical and intellectual performance.	The ProChile office in France recommended adapting exports from Chile to this new trend, seeking to differentiate the plant varieties offer as well as other native and endemic products that may be attractive in a highly competitive market.	ProChile (2020a)
Italy	*«In Italy, volumes of Fairtrade certified products have grown by 15-20% annually in the last 5 years» The average age of fair trade consumers is dropping. It is no longer enough to be "fair trade", high quality and an impact story are required.*	Increasing use of Fairtrade raw materials in healthy products such as bars, snacks, granolas. This is an opportunity for minor products such as nuts, honey, quinoa, cereals, berries, raisins and other dehydrated fruits. Not many great opportunities are seen for fresh fruits.	Paolo Pastore, Fairtrade Italia (interview)
Italy	The cooperative has not been able to establish links with the confectionery industry and with companies that manage the snack vending machines supply; this work must be intensified to expand sales.	Include different nuts and raisins, in other finished products in the industry such as snacks or energy and healthy bars.	Valeria Bigliazzi, Cooperativa Chico Mendes (interview)
Italy	Una de las primeras organizaciones de comercio justo en Italia en trabajar los productos cosméticos, los cuales representan el 15% de sus ventas anuales.	In handicrafts, «all basketry and textiles for everyday home use continue to be products with interesting and steady sales. And we are always open to finding new collaborations with other producers for new products». In cosmetic products, interesting scenarios could be opened up for algae.	Alessandro Cantù, Equo Mercato (interview)
Italy	Fair trade growth in Italy in the 2010s.	The ProChile office in Italy concluded by stating that fresh fruit (in counter season and organic), dried fruit (especially nuts and raisins) and high-quality honey, have potential in the country.	ProChile (2016a)
Italy	In the past, there was interest for fresh fruits and seafood.	Currently there is potential for fresh and frozen swordfish, lemons, avocados, chestnuts, walnuts, blueberries and wines.	Survey to ProChile's offices in Europe

Country	General trends	Trends in products of interest to Chile	Source of information
United Kingdom	Chile is not well known, and this has a negative effect on the impact stories required to position fair trade products. Companies show less interest in Fairtrade certification and more in ensuring a decent income and on the impact of the business relationship.	There is a certain trend towards Fairtrade products diversification including, for example, honey, wine, avocados, fresh fruits and nuts, which are typical of the Southern Cone, and where, since they are not cheap products, there have potentially good margins for business. This is coupled with the trend towards veganism.	Anna Barker, Fairtrade Foundation (interview)
	In the past there was interest in Chilean dried fruits, especially walnuts.	Nowadays and for the future, there is potential for fresh fruit, nuts and wine, and organic products.	Survey to ProChile's offices in Europe
Switzerland	Sales increase by 5,5% between 2019 and 2020	Fresh fruit represents 21,9% of the Swiss fair trade market (this percentage is largely represented by bananas), dried fruit and nuts (5%) and other foods (7,2%) including honey, olive oil and cereals. Non-food products (handicrafts, cosmetics, among other non-textiles) only represent 1,5% of all sales.	Swiss Fair Trade
	2021 record year for Fairtrade products sales in Switzerland.	Alcoholic beverages (largely wine) + 18,2% between 2020 and 2021; Dried fruits and nuts + 11,7%; Honey + 1,4%. Fairtrade honey represents 11% of the Swiss market	Fairtrade Max Havelaar Switzerland (2022)
	«What we are observing in Switzerland is that the current growth is very much linked to the FSI model (Fairtrade Sourced Ingredient, white label)»	For the industry's finished products, «a mix of dried fruit and nuts can be interesting for a wide variety of processed products. There may be opportunities there». An important product is table grapes; avocados seem to have positive future projection. For wine, there seems to be no possibility of rapid growth at the moment. Important growth of cashew nuts.	Fabian Waldmeier, Max Havelaar Switzerland (interview)
	N/A	There is a demand from Switzerland for certified raspberries, which has still not been fulfilled in Chile.	Ingrid Allende, CLAC (interview)

Country		General trends	Trends in products of interest to Chile	Source of information
Others	Denmark	N/A	At present, there is potential for wine, fresh fruits, especially berries, nuts and handicrafts made by indigenous peoples.	Survey to ProChile's offices in Europe
	Hungary	N/A	Nowadays, there is potential for certified seafood, sustainable fishing, wine, fresh and dried fruits, nuts, and organic products.	Survey to ProChile's offices in Europe
	Lithuania	N/A	Currently, there is potential for certified sustainable fishing seafood (particularly, shellfish), wine, fresh and dried fruits, nuts, and organic products.	Survey to ProChile's offices in Europe
	Norway	N/A	No Fairtrade wine is being sold and there is no significant potential for typical Chilean products such as grapes, wine, honey, nuts or berries.	Annabelle Lefébure-Henriksen, ex CEO de Fairtrade Norge (comentarios)
		N/A	At present there is potential for wine, fresh fruits, especially berries, nuts and handicrafts made by indigenous peoples.	Survey to ProChile's offices in Europe
	Sweden	«During the pandemic, the Swedish Fairtrade market performed quite well, maintaining historically high levels. Interest in this type of product continues to be high and is combined with Human Rights and Due Diligence trends, which are gaining presence in the business world»	Substantially stable wine sales. The main Fairtrade products traded in Sweden are chocolates, cookies and confectionery, hot drinks, desserts, cakes and ice creams, alcoholic beverages, fresh fruits and vegetables, flowers, plants and bulbs.	Daniel Sommerstein, Fairtrade Sverige (comentarios)
		N/A	At present there is potential for wine, fresh fruits, especially berries, nuts and handicrafts made by indigenous peoples.	Survey to ProChile's offices in Europe

Country		General trends	Trends in products of interest to Chile	Source of information
Others	Netherlands	N/A	The data shows increasing sales of nuts, especially cashews. Also, oranges. Decreasing sales of wine, grapes and honey.	Fairtrade Nederland
		Increased demand for vegan, gluten-free and healthy products.	Important market for shelled walnuts. Opportunities for different nuts used in healthy snacks.	ProChile (2020h)
		N/A	There is potential for products from sustainable, traceable fisheries with an impact story. Also, for organic fresh fruit such as blueberries, citrus fruits and organic nuts.	Survey to ProChile's offices in Europe
	Poland	The Polish market is dynamic and can represent an alternative to traditional markets, although consumers are quite segmented by income level. Nuts are very important in the Polish diet.	Products with fair trade certification potential in Poland: almonds, avocados, chestnuts, grapes and maqui.	ProChile (2020i)
		In the past there was interest in certified wines and fresh fruit	Currently, there is potential for certified seafood, sustainable fishing, wine, fresh fruits (especially avocados and lemon) and dehydrated fruits, nuts and "superfoods", as well as organic products.	Survey to ProChile's offices in Europe
	Czech Republic	Even the per capita consumption of fair trade products is very low; companies that sell Fairtrade products buy from companies located in other European countries.	Wines and beers have potential demand nationwide.	ProChile (2018a)
		N/A	Currently there is potential for certified seafood, sustainable fishing, wine, fresh and dried fruits, nuts.	Survey to ProChile's offices in Europe
	Romania	N/A	Currently, there is potential for certified seafood, sustainable fishing, wine, fresh and dried fruits, nuts, and organic products.	Survey to ProChile's offices in Europe

Annex 2

Volumes of Chile's total exports, compared to the volumes of certified exports of agricultural products.

	VOLUMES OF TOTAL EXPORTS FROM CHILE TO THE WORLD					VOLUMES OF CHILEAN CERTIFIED FAIR TRADE PRODUCTS AND PERCENTAGES OVER TOTAL EXPORTS MADE FROM CHILE							
Exported certified product groups	**Unit**	**2018**	**2019**	**2020**	**2021**	**2018**	**%**	**2019**	**%**	**2020**	**%**	**2021**	**%**
Honey	Kilograms	8.431.712	4.249.839	2.014.938	3.298.375	1.669.448	19,8%	1.040.698	24,5%	826.397	41,0%	813.825	24,7%
Wine (*)	Liters	775.721.401	804.047.424	785.526.899	801.223.066	4.546.903	0,59%	4.122.615	0,51%	4.072.585	0,52%	4.020.788	0,50%
Fresh grapes (**)	Kilograms	724.405.537	652.522.522	604.097.076	525.214.968	286.344	0,04%	453.025	0,07%	605.737	0,10%	520.044	0,10%
Grape brandy (pisco and similar)	Liters	514.115	344.732	301.533	423.861	Data unavailable							
Cranberries, blueberries, bilberries and other fruits of the Vaccinium genus	Kilograms	113.941.660	111.865.658	106.217.163	112.879.823	Due to confidentiality reasons, these data could not be shown in aggregate form							
Walnuts	Kilograms	89.493.282	105.428.766	95.498.437	114.812.171								
Fresh avocados	Kilograms	132.525.044	144.642.471	96.883.294	97.952.841	Data unavailable							
Fresh nectarines	Kilograms	65.053.654	67.796.034	72.963.913	71.145.251	Data unavailable							
Fresh raspberries, blackberries and raspberries	Kilograms	209.850	4.498	339.851	382.934	Data unavailable							
Oranges	Kilograms	100.283.179	100.111.514	90.150.327	104.326.984	Data unavailable							
Raisins (***)	Kilograms	62.739.889	66.364.453	57.585.533	63.400.027	65.000	0,10%	61.000	0,09%	44.000	0,08%	45.500	0,07%
Rosehip oil and its parts (***)	Kilograms	138.835	120.009	130.754	218.566	-	-	-	-	1.715	1.31%	7.030	3,22%

Source: Classification of product groups and national export data according to ODEPA (Office of Agrarian Studies and Policies), based on the National Customs Service:
https://www.odepa.gob.cl/estadisticas-del-sector/bases-de-datos-comercio-exterior

(*) The national data compiles "Bulk wines" with "Wine with denomination of origin", according to the ODEPA classification.
(**) For the fair trade data, the aggregated data of the organizations that reported "table grapes" exports are being used.
(***) For the fair trade data, the values reported by the company "Mi Fruta S.A." (raisins) and "Sustainable Botanicals Chile Spa" (rosehip oil) are being used; both authorized to display them individually.

Annex 3
Strategic or policy lines proposed by Proqualitas Consultores (2016).

Objectives	Strategic or policy lines	Initiatives
Objective 1 Promote individual and joint work of Fair Trade Companies and Organizations within the country	• Facilitate the development of an ecosystem that favors Fair Trade.. • Promote associativity and trust building as well as joint execution of projects. • Strengthen the creation of Fair Trade networks and associations at the local and national level. • Promote access to marketing channels. Expand markets locally, regionally, nationally and internationally. • Being able to access programs to improve companies and organizations management and development. Successful and efficient management models. • Improve the productivity and competitiveness of Fair Trade products and services. • Maintain updated information on producers, business groups and Fair Trade organizations • Make it easier for more companies or new enterprises to enter the Fair Trade system.	**1.** Generate a Work Platform for the Articulation of Direct and Indirect Fair Trade Actors. **2.** Market expansion project at the local, regional, national and international level (Inclusive Businesses). **3.** Management and development perfectioning program for Fair Trade companies and organizations. **4.** New producers, organizations, companies or enterprises enter the Fair Trade system (Training / Accreditations).
Objective 2 Disseminate the Fair Trade Sector and Promote awareness of its benefits and contribution to Sustainable Development	• Promote Fair Trade knowledge at different levels in the population. • Make companies and institutions aware of the importance of Fair Trade and its contribution to Sustainable Development • Create collaboration bases between various actors due to the greater equity implications granted by Fair Trade • Contribute to the generation of technical and professional capacities that promote and develop it. • Promote and disseminate Responsible and Conscious Consumption, where Fair Trade plays a supply role to satisfy this need • Achieve connections with other Social Solidarity Economy actors.	**5.** Fair Trade knowledge at different levels in the population **6.** Responsible Consumption Promotion Project **7.** Connections with other Social Solidarity Economy actors **8.** Collaboration with Companies to work towards Sustainable Development (staggered scheme)
Objective 3 Generate Plans, Instruments and Public Policies that favor the development and growth of the Sector	• Promote and incentivize projects that strengthen fair marketing practices • Have specific roles from the different departments or public bodies (Public Network for the Promotion of Social and Cooperative Economy). • Disseminate Fair Trade regulations and principles and raise awareness of (public) actors for their practical application and appropriate weighting factors. • Include Fair Trade products and services in the Public Procurement system. • Generate specific financing lines for Fair Trade companies • Strengthen research and innovation processes in Fair Trade • Create a strengthening instance (Fair Trade Observatory).	**9.** Coordination and Institutional Strengthening for the Development of Fair Trade **10.** Fair Trade Observatory – Good Practices **11.** Incorporate Fair Trade weightings in Public Procurement **12.** Project Creation of specific Financing lines for Fair Trade

Annex 4

Examples of certified products imported or made in Chile with imported fair trade raw materials.

Manufactured product	Company that sells it in Chile	Fair trade trademark on the packaging	Imported / made in Chile with certified raw materials
Roasted coffee, Roasted and ground coffee	Outlet del Café	--	Made in Chile
Roasted coffee, Roasted and ground coffee	Kenós Café	SPP	
Roasted coffee, Roasted and ground coffee	Marley Coffee	Fairtrade	
Chocolates	Óbolo Chocolate	--	
Chocolate covered hazelnuts	Pacari	WFTO	Imported
Chocolate covered grapes	Pacari	WFTO	
Organic chocolate bar with Juniper Gin	Pacari	WFTO	
Organic chocolate bar with Guayas	Pacari	WFTO	
Organic chocolate bar with Lemon Beebrush	Pacari	WFTO	
Organic Chocolate Bar with Olives	Pacari	WFTO	
Raw 100% cocoa bar with Nibs	Pacari	WFTO	
Organic chocolate bar	Líder	Fairtrade	
Organic rooibos tea	Jumbo	Fairtrade	
Organic Ceylon and Assam Black Tea	Jumbo	Fairtrade	
Organic Earl Gray Black Tea	Jumbo	Fairtrade	
Organic Ceylon Green Tea	Jumbo	Fairtrade	
Drinking Chocolate Clipper	Jumbo	Fairtrade	
Cookie tin	Jumbo	Fairtrade Sourced Ingredient Mark (Cocoa)	
Chocolate chip cookies	Jumbo	Fairtrade Sourced Ingredient Mark (Cocoa)	
Cookies box	Jumbo	Fairtrade Sourced Ingredient Mark (Cocoa)	
Mixed biscuit box	Jumbo	Fairtrade Sourced Ingredient Mark (Cocoa)	
Organic oatmeal cookies	Jumbo	Fairtrade Sourced Ingredient Mark (Cocoa)	
Organic Black Tea	Jumbo	Fair Trade USA	
Organic Hazelnut and Chocolate Paste	Denda.cl	Fairtrade	
Green Tea Chai	Denda.cl	Fair Trade USA	
Congest Away Infusion	Denda.cl	Fair Trade USA	
Rooibos Infusion	Denda.cl	Fair Trade USA	
Organic Black Tea	Denda.cl	Fair Trade USA	
Green Tea	Denda.cl	Fair Trade USA	
Lemon Chamomile Infusion	Denda.cl	Fair Trade USA	
Moroccan Mint Infusion	Denda.cl	Fair Trade USA	
Honeybush Infusion	Denda.cl	Fair Trade USA	
Sweet Slumber Infusion	Denda.cl	Fair Trade USA	
Rose White Tea	Denda.cl	Fair Trade USA	
Dandelion Detox Infusion	Denda.cl	Fair Trade USA	
De-Stress Infusion	Denda.cl	Fair Trade USA	
Organic dark chocolate, with lemon and ginger	Tottus	Fairtrade	
70% organic dark chocolate	Tottus	Fairtrade	

Annex 5
Systematization of the survey made to ProChile offices in Europe.

Survey Questions:

1 In the last five years, has your office received requests from companies seeking to buy organic or fair trade Chilean products (food and handicrafts)?

2 Based on the knowledge and experience of your office, do you think that there is, or could be in the future, potential interest from companies to purchase food and craft products under some of the organic and fair trade certification schemes? If so, in which of the following areas?

3 Based on the experience of your office, in the upcoming years, will there be a trend of increasing imports from Chile to the country or countries covered by your office? If so, which products?

	Germany	Denmark	Spain	Finland	Hungary	Italy	Lithuania
QUESTION 1	YES	YES	NO	YES	NO	YES	NO
In what main areas or products?	Food products with appropriate packaging, adequate organoleptic qualities	Wines, fresh, dried and frozen fruit	A request for organic lemons (no Chilean offer)	Wines, fresh, dried and frozen fruit	N/A	Fresh fruit and seafood	
QUESTION 2	YES	YES	YES	YES	YES	YES	YES
Artisanal collection or fishing products			NO		Products with sustainable fishing certificate	Fresh and frozen swordfish	Certified sustainable fishing products
Agricultural and livestock/food products		Wine, fresh fruit, nuts, berries	Fresh fruit nuts	Wine, fresh fruit, nuts, berries	Dried and dehydrated fruit, fresh fruit, wine	Lemons, avocados, chestnuts, nuts, blueberries, wines	Dried and dehydrated fruit, fresh fruit, wine, seafood
Handicrafts	Jewelry made with surgical steel and not nickel, wool pieces specially treated so they do not itch	From native peoples	NO	From native peoples			

	Norway	Netherlands	Poland	Czech Rep.	United Kingdom	Rumania	Sweden
QUESTION 1	YES	YES	YES	NO	YES	NO	YES
In what main areas or products?	Wines, fresh, dried and frozen fruit	Handicrafts (fair trade), organic fresh fruit and nuts, organic and/ or biodynamic wines	Wine and fresh fruits	N/A	Nuts (walnuts)	N/A	Wines, fresh, dried and frozen fruit
QUESTION 2	YES		YES	YES	YES	YES	YES
Artisanal collection or fishing products		Sustainable, transparent fishing and with a history.	Certified sustainable fishing products	Certified sustainable fishing products		Certified sustainable fishing products	
Agricultural and livestock/food products	Wine, fresh fruit, nuts, berries	Fresh fruit: blueberries, citrus, organic fruits and nuts	Avocado, lemon, wine	Wine	Fresh fruit, nuts and wine	Dried and dehydrated fruit, fresh fruit	Wine, fresh fruit, nuts, berries
Handicrafts	From native peoples	Jewelry, household products, decorations. Unique, circular and responsible products					From native peoples

	Germany	Denmark	Spain	Finland	Hungary	Italy	Lithuania	Norway	Netherlands	Poland	Czech Rep.	United Kingdom	Rumania	Sweden
QUESTION 3		YES		YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Conventional agriculture/food			Fresh fruit, nuts, Sea products (MSC)		Sea products, nuts and dehydrated fruit, fresh fruit, wine	Chestnuts	Sea products, fresh and dehydrated fruit, fresh fruit, wine		Nuts; fresh fruit	Sea products, nuts and dehydrated fruit, fresh fruit, wine	Sea products, nuts and dehydrated fruit, fresh fruit, wine	Wine, fresh fruit and nuts	Sea products, nuts and dehydrated fruit, fresh fruit, wine	
Conventional crafts			NO		NO		NO			NO	NO	NO	NO	
Collection or artisanal fishing products			NO		NO	Fresh swordfish	NO		Salmon, squid	Certified sustainable fishing products	NO	NO	NO	
Fair trade agriculture/food		YES	NO	YES	Fresh fruit and nuts		Fresh and dehydrated fruit	YES	Fresh fruit, nuts, bottled wine	Wine	Vino	Wine, fresh fruit and nuts	Nuts and dehydrated fruit	YES
Fair trade crafts			NO		NO		NO		Jewelry	NO	NO	NO	NO	
Organic agriculture/ food		YES	Fresh fruit, nuts	YES	Nuts and dehydrated fruit, fresh fruit, wine	Wine, nuts	Fresh and dehydrated fruit, fresh fruit, seafood	YES	Fresh fruit, nuts	Wine, fresh fruit, superfoods	Wine	Wine, fresh fruit and nuts	Nuts and dehydrated fruit, fresh fruit	YES

Annex 6
Other labels that add value to Chilean artisanal and agricultural products.

In addition to fair trade and organic certifications, other labels are used in Chile to also add value to artisanal and agricultural products.

This is the case of the **"Manos Campesinas Label"**, the result of a joint work done by INDAP, the University of Chile and peasant union organizations (such as the UOC, National Confederation of Peasant Unit Workers[84], or Conagro, National Confederation of Federations of Peasant Unions and Workers of the Agro de Chile[85]), to evaluate Peasant Family Agriculture (AFC) and its products.

«The Manos Campesinas® Label is an accreditation system that supports the attributes of products and services generated by small producers throughout the national territory. […] The presence of the Manos Campesinas® Label guarantees that the products and services are:

- **Of peasant origin:** Made only by small producers.
- **Artisanal:** Its main processes are handmade, and it is generated on a small scale and with a low environmental impact.
- **Fair:** It promotes the economic development of small producers.
- **Healthy:** It complies with the current legal sanitary regulations and requirements»[86].

As Mina Namdar-Irani (interview), adviser to the national management of Indap between 2014 and 2018, told us that, during the second government of President Michelle Bachelet, Indap began working more in depth on the marketing challenges they face for their users' products, an element on which, until then, the institute had partially focused its efforts, despite the fact that its objective (Art. 2 of the Indap Organic Law, n. 18.910/1990) also includes increasing the commercial capacity of small producers and peasants[87].

«The most interesting thing about the construction of this label is that it was made closely with peasant organizations and with the support of the University of Chile. The synergy between the public service, the peasant world and the academic world has been fundamental in its conception and development. Meanwhile, the academy also supported the development of studies that applied the reality of the stores and their peasant suppliers» (Mina Namdar-Irani, interview).

Processed products that have this label have been present in the market, especially through the "Tiendas del Mundo Rural" (Shops of the Rural World) and, to a lesser extent, through the "Mercados Campesinos" (Peasant Markets)[88].

The **"Shops of the Rural World Program"** began in 2016 as an initiative of the Indap National Marketing Program, to create a short-circuit trade channel for AFC products, thus bringing rural areas closer to urban centers: *«The short circuit modality allows producers to access a way of marketing that has maximum one intermediary, while allowing consumers to access unique products, ensuring a fair and convenient price. This form of marketing considers the concepts of sustainability, respect and territorial value»*[89].

The peasant organizations themselves, manage the stores:

«Despite the fact that during the second government of Sebastián Piñera an attempt was made to provide a different management approach, the organizations remain firmly in this role, leading a process that has allowed them to become professional, prioritize decisions, understand the relevance of solidarity intermediation and handle the true difficulties of the marketing processes, despite the negative effects of the pandemic» (Mina Namdar-Irani, interview).

[84] http://uocchile.cl/

[85] http://www.conagro.cl/

[86] See: https://www.Indap.gob.cl/sello-manos-campesinas

[87] Requirements to be Indap users: a) assets not exceeding 3,500 UF; b) Exploit a land surface of up to 12 Basic Irrigation Hectares or, live and work in the field; c) income mainly from agricultural exploitation or forestry and farming activities. See: https://www.Indap.gob.cl/requisitos-para-ser-usuarioa-de-Indap

[88] See: https://www.Indap.gob.cl/mercados-campesinos

[89] See: https://www.Indap.gob.cl/tiendas-mundo-rural

The public sector's commitment with the stores is to finance the initial investment and decreasingly cover the expenses that cannot be covered through sales. In the periods before the social protests and the pandemic, this meant an average of 25 to 30% of all expenses (Mina Namdar-Irani, interview). This shows that the path towards economic sustainability is still long for the shops' business.

Currently, there are 5 shops, managed by different peasant organizations, including the Apicoop fair trade cooperative that was considered in this study:

1) At the Escuela Militar metro station, in the Las Condes commune, Santiago Metropolitan Region (administered by Conagro);

2) At the Pajaritos metro station (Conaproch, Peasant Confederation of Chile);

3) At the La Moneda Cultural Center (UOC);

4) At the Valdivia Bus Terminal (Apicoop);

5) And in the Mallplaza Mirador Biobío de Concepción (National Beekeeping Network[90]).

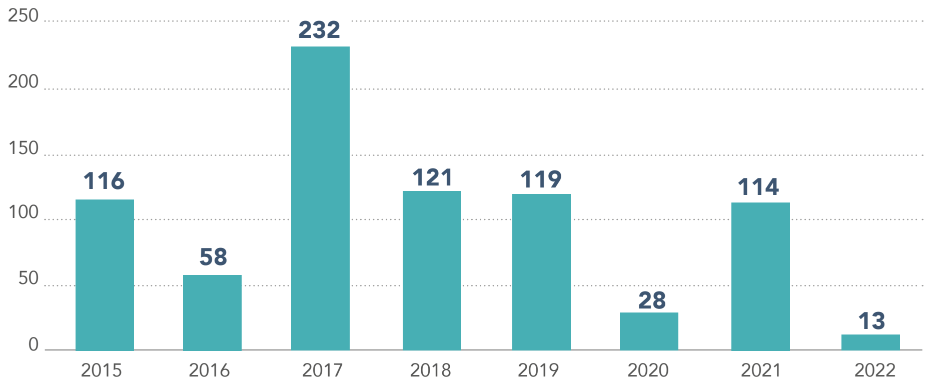
«The first store opened in the Plaza de Armas (Main Square), but in the end it was not successful, we got the wrong location. It was closed after more than a year and reopened at the La Moneda Cultural Center at the beginning of 2018, where it still stands. One of the greatest lessons learned from this process is the need to combine a sales room with a cafeteria-type consumption space, to facilitate meetings. This is the model for the Pajaritos and La Moneda shops» (Mina Namdar-Irani, interview).

In mid-2021, Shops of the Rural World Program were supplied by a network of 665 suppliers (most of which are family businesses and non-associative), of which 77% are small peasant entrepreneurs who receive support from INDAP[91]. In April 2022, 801 family businesses were awarded the Manos Campesinas Label.

«For Indap's 120 thousand users, these numbers are very low; which leads to a minimal economic impact on national commercial circuits. However, it has a very relevant symbolic impact in strengthening country-city relations and a clear impact in forming the peasant organizations that manage the stores, as well as for their suppliers». Finally, the store's work also raises the quality of the products and advances the local fair trade proposa (Mina Namdar-Irani, interview).

According to Mina Namdar-Irani (interview), this low participation is mainly due to two reasons: on the one hand, meeting minimum quality and safety requirements, among others, has meant that only a limited number of family businesses can achieve them; while the other hand, they also need to guarantee the necessary volumes to become regular suppliers for the stores. Meanwhile, getting the Manos Campesinas Label only guaranteed priority when it came to supplying the stores; but it did not lead to products' sales at a fair or better price compared to the market price; and this made it less relevant when it came to attract more peasant families to participate in the program.

Number of enterprises that have the "Manos Campesinas" Label (January 2015-March 2022)



Source: Indap

[90] https://www.redapicolachile.cl/

[91] See: https://www.Indap.gob.cl/noticias/productos-de-mas-de-500-emprendedo-res-campesinos-comercializa-red-de-tiendas-mundo-rural

Sales of Rural World Shops (in thousands of Chilean pesos)

Stores	2017	2018	2019	2020	2021	2022**	Totales
La Moneda Cultural Center	18.439	178.317	181.762	33.000	48.526	29.984	**490.028**
Military School Metro	70.151	134.403	93.231	63.000	72.940	24.338	**458.063**
Pajaritos Metro	175.191	309.283	261.071	93.356	104.363	54.839	**998.104**
Concepción	35.569	96.124	61.000	16.000	91.918	33.780	**334.390**
Valdivia	88.944	119.485	107.146	70.000	35.527	14.306	**435.409**
Online*	11.711	12.075	1.700				**25.486**
Arauco Chillán Mall*		29.882	26.281				**56.163**
TOTAL	400.005	879.569	732.191	275.356	353.275	157.247	**2.797.643**

Notes: (*) stores currently not in operation; (**) projection until April 2022.
Source: Indap

According to Juan Eduardo Henríquez (entrevista), Manager of Apicoop, a fair trade cooperative that manages the Valdivia store,

«one of the main challenges is the financial education of the family businesses that supply the stores with products. Most of them do not have a clear cost structure, let alone a business plan that allows them to sell sustainably over time. Selling a cheese at the Christmas fair is not the same as selling it throughout the year in an established store. Indap does not manage to follow all these cases and the shops managers end up training their small suppliers».

Likewise, according to Mina Namdar-Irani, the marketing program would need to include an instrument that supports the development of suppliers to ensure product quality and sustainability as well as service delivery to the shops, based on the experiences that producers are having with the managing organizations; seeking to further integrate all levels of Indap intervention, from production to marketing.

We also addressed this need for greater integration with Diego González (interview), who advised the national management and marketing departments of Indap throughout the second government of Sebastián Piñera, between 2018 and 2022.

«Indap's current production support is not yet seen as a first step that will necessarily lead to help in marketing. The former does not necessarily lead to the latter, because the Law does not detail Indap's role in terms of marketing. Meanwhile, users do not follow a logical path that goes from productive strengthening to commercial strengthening» (Diego González, interview).

In addition to the need for better coherence between the powers of Indap and the budgetary possibilities available, as well as the progress and success indicators established with the Chilean Budget Office (Dipres),

«a more systemic understanding of this type of public policies is lacking; in productive and social programs, such as the commercialization of peasant products, there are very evident sociological and institutional challenges, and one needs to go beyond impact communications and analyze the real and comparative numbers for certain actions. The Mercado Campesino program, for example, could appear a lot in the eyes of public opinion, but while running the risk of being left alone, without being able to solve the real needs of the peasants» (Diego González, interview).

MERCADO CAMPESINO
INDAP / Ministerio de Agricultura

"Mercado Campesino" is also part of Indap's marketing program and, unlike the Tiendas del Mundo Rural, it is mainly oriented towards fresh and perishable products:

«finally, it ends up competing with free fairs, but while having the institutional support that guarantees both better locations and a clear brand positioning. However, the vast majority of Indap users do not seek to sell their products sporadically at a nice stand but prefer a continuous and stable channel for their products» (Diego González, interview).

From a critical perspective, peasant markets are not generating relevant and significant sales; nor are they solving the issue of the loss generated in the various stalls of the participating peasant families:

«also, they did not solve the logistical issue of selling rural products in certain urban areas. And finally, the consumer who went to these markets could not find all the products that he wanted to buy during his trip to the market; but only the products of the peasant families that participate in the program. Changing the norm to include other products ends up degenerating the meaning of the peasant market. However, there is no doubt that a meaningful brand was inaugurated, even physically, which worked hand in hand with local authorities and other public actors» (Diego González, interview).

During the second government of Sebastián Piñera, it should also be noted that Indap launched the "Originario - Alimento Ancestral Saludable" (Ancestral Healthy Foods) label"[92].

that, based on the Manos Campesinas Label experience, identifies a food or product under the following characteristics:

- It is of peasant and indigenous origin: produced by small farmers and peasant users of Indap, belongs to Native Peoples;
- It is an ancestral food of Native Peoples, and is used traditionally in their cooking;
- It is healthy, characterized by its multiple health benefits;
- It is a product that promotes local development, since at least 50% of its raw material must come from family farms or from other neighboring producers, from the Peasant Family Agriculture

Finally, other labels that undoubtedly adds value to the production and trade of certain Chilean products is the **"Origin Label"**, which is owned by Ministry of Economy, Development and Tourism.

«The Origin Label program was officially launched in the town of Pomaire in July 2012, as a joint initiative between the Ministry of Economy, Development and Tourism and INAPI (National Institute of Industrial Property) with the aim of promoting the proper use of the industrial property tools for the recognition and protection of Chilean products through the registration of Geographical Indications (GI), Denominations of Origin (D.O.), Collective and Certification Marks, to promote entrepreneurship and the productive development of communities in our country»[93].

The G.I. and D.O., and the Collective and Certification brands, are all industrial property rights contemplated under Law No. 19.039 and its regulations. According to INAPI, the benefits provided by these labels, are:

- Increase the competitiveness of producers, thanks to the necessary associativity effort between them;
- Increase and highlight the connection with local traditions of the territories and their population;
- Have legal protection against possible unfair competition;
- Mejorar la información sobre calidades y características propias del producto, promoviendo su valor único y distinto respecto a otros productos, con los consumidores;
- Open tourism opportunities, among other services such as gastronomy, which can be generated by having products closely linked to the territories.

The characteristics of the four Origin Labels are described below, as contemplated by national regulations, as well as the list of the products involved, based on macro-zone and type of label:

[92] https://sellooriginario.cl/

[93] See: https://www.inapi.cl/sello-de-origen/para-informarse

Chilean products with Origin Label, by macro-zone and type of stamp

	Great North	Small North	Centre	South	Austral	Insular
A Geographical Indication (G.I.) identifies a product as originating in the country, region or locality, when its quality, reputation or other characteristic is fundamentally attributable to its geographical origin. Typical examples are agricultural products that have qualities derived from their place of production, extraction or cultivation, and specific local characteristics such as climate and terrain.	• Oregano from the foothills of Putre • Azapa olives • Lluteño Corn • Limón de Pica		• Sweets from La Ligua • Sweets from Curacavií • Paine watermelon • Maquehue Blue Leek	• Angolino tomato • Chilote lamb • Maquehue Blue Leek		• Tuna from Easter Island • Juan Fernández lobster • Juan Fernández Golden Crab
The Denomination of Origin (D.O.), in addition to the territory, quality, reputation or other characteristic attributable to its geographic origin, also considers other natural and human factors that affect the characterization of the product. It is of indefinite duration, as long as the factors that led to its recognition are maintained.		• Olive Oil from the Huasco Valley	• Chicha from Curacavi • Chamantos and corralera blankets from Doñihue • Cahuil - Boyeruca Lo Valdivia Salt • Pomaire pottery • Mane (horsehair) from Rari • Tiles from Pilén • Ceramic from Pañul	• Pottery from Quinchamali • Prosciutto de Capitán Pastene • Stone Cross • Cider from Punucapa • Chupallas from Ninhue		
Collective trademarks allow to distinguish the origin, material, manufacture method or other common characteristics of the goods produced by the association members. In this case, they must be linked to a clearly determined place of origin/ geographical location. The owner is the producer association. The duration is 10 renewable years.			• Casablanca Route Vineyards • Heart of Paine (watermelon) • Altos de Cantillana Honey Made in Alhué, 100% natural • Wicker Capital	• Valdivian Beer, Los Ríos Region • Blue Rapamakewe		
Certification labels are applied to products to accredit one or more certain common characteristics, to some specific components linked to a certain product origin. The mark owner is not a producer, but a guarantor. The duration of the label is 10 renewable years.		• Essence of Huasco Alto (Pajarete)	• Hands of Isla Negra (fabrics and textile products) • Limachino Flavor (tomato)	• SIPAM Chiloé	• Aysén Patagonia-Chile Quality	• Black Jewel of the Pacific (black coral)

Source: INAPI, https://www.inapi.cl/sello-de-origen

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10. Interviews

Alessandro Cantù, Equo Mercato Cooperative Administration Manager, Italy (April 2022).

Álvaro Goicoechea, CEO of Fairtrade Ibérica (May 2022).

Anna Barker, Head of Responsible Business at the UK Fairtrade Foundation (April 2022).

Bárbara Araneda, Support Professional of the Regional Secretariat for Women and Gender Equality, Metropolitan Region (February 2022).

Bella Villareal, General Manager of the Agronuez Choapa Agricultural Cooperative (May 2022)..

Diego González, Founding Partner of "Mi Huerto Web" and Advisor to the National Directorate of Indap for marketing programs between 2014 and 2018 (April 2022).

Fabian Waldmeier (2022), Head of International Cooperation at Fairtrade Max Havelaar Switzerland (May 2022).

Felipe Zúñiga, President of the Cauquenes Dry Wine Growers Association - VIDSECA, and member of the CLAC Board of Directors (May 2022).

Ingrid Allende, , CLAC Country Manager in Chile (June 2022).

Jerónimo Pruijn, Executive Director of the Symbol of Small Producers, SPP-Global (May 2022).

Jorge Inostroza, Sales Manager for World Shops at GEPA, a German fair trade organization (April 2022).

Juan Eduardo Henríquez, Manager of the Valdivia Beekeeping Peasant Cooperative - APICOOP (May 2022).

Juanjo Martínez, Head of Products and Relations with Fair Trade Producers, at Oxfam Intermón (Spain) and President of WFTO-Europe (February 2022).

Juha Tanskanen, Key account specialist, Fairtrade Finland (April 2022).

Julio Cáceres, Regional Manager of Productive Alliances and Economic Partnership Program, Development Unit, Indap Maule Region (April 2022).

Lorena Soto, legal representative of Witral Chile (May 2022).

Marcela Cofré, President of the Chilean Fair Trade Association (January 2022).

María de la Luz Mella, Executive Director of the Maule Regional Productive Development Corporation, CRDP-Maule (July 2022).

Marina Moreno Sanz, Responsible for Certifications at the COPADE Foundation, Trade for Development (February 2022).

Mina Namdar-Irani, Director of Qualitas AgroConsultores and Advisor to the National Directorate of Indap for marketing programs between 2014 and 2018 (April 2022).

Nancy Cortínez, a master artisan with (mane) horsehair, sells through Beas y Tapia (May 2022).

Nicolás Eberhart, Liaison for Latin America of the French Ethiquable Cooperative and Participatory Society (June 2022)

Paolo Pastore, Executive Director of Fairtrade Italy (April 2022).

Patricia Vergara, Product Manager at Oxfam-Magasins du Monde, Belgium (April 2022).

Relmu Witral, interview with President Juana María Millahual and former President Albertina Huenuman (May 2022).

Robin Ramakers, Head of the Fair Trade and RSE Department at Ecocert Chile S.A. (June 2022).

Rodrigo Constandil, Sustainability and Certifications Sub-Manager, Wine Society Miguel Torres (May 2022).

Soledad Valdés, ProChile Regional Coordinator (April 2022).

Stijn Decoene, Head of Value Chain and Impact at Fairtrade Belgium (May 2022). .

Susana Ortiz, Executive Director of the Chol Chol Foundation (May 2022).

Tomás Gárate, Mayor of the Municipality of Puerto Varas (July 2022).

Valeria Bigliazzi, Production and Project Manager at the Chico Mendes Cooperative, Modena, Italy (April 2022).

Víctor Aguilera, eformer General Manager, and current trade advisor from the Netherlands, of the Sagrada Familia Wine Society (Vinos Lautaro), a Chilean organization of small-scale fair trade winemakers (February 2022).

Víctor Palma, Product Manager (Wine, Spirits and Beer) at Oxfam Fair Trade Belgium (May 2022).

Wim Melis, Product Manager (Wine, Spirits and Beer) at Oxfam Fair Trade Belgium (May 2022).

Ximena Berríos, Manager of Good Agricultural Practices at ProntoExport (July 2022).

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