

Sustainability in a Cup: Institutional Procurement of Fair Trade



Fair Trade Month Webinar
October 15, 2013

Audio and Recordings

- Participants are muted. Communicate technical questions (about sound, etc.) through GoToWebinar Chat.
- This presentation will be recorded, and shared through email and online.



(insert slide numbers)

- Don't forget

Questions?

Submit questions by typing them into the Questions box in your GoToWebinar application.

We will compile and answer them during the Q&A at the end of the webinar.



Who is RPN?

Responsible Purchasing Network (RPN) is an international network of buyers dedicated to socially responsible and environmentally sustainable purchasing.

- Technical Assistance
- Purchasing Guides for 15 product categories
- Model Policies, Contracts, And Bid Specifications



RPN Webinars

Previous

- Purchasing for Climate Protection
- Compostable Food Service Ware
- Office Supplies Roundtable
- Green Tissue Products
- Public Procurement of Energy Efficient Products



In the works

- Green Lighting
- Rechargeable Batteries
- New EPEAT Standard for Imaging Equipment
- Recycled and Low-VOC Paint

... and many more!

Presenters

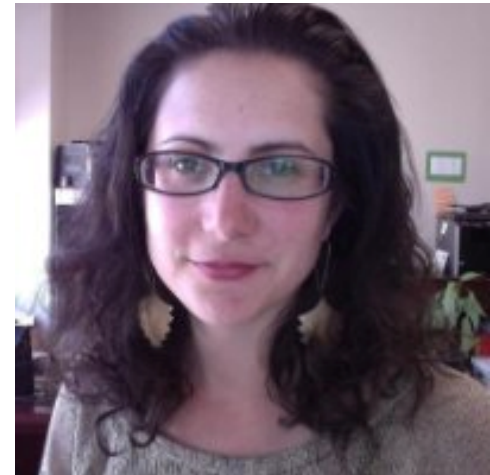


Courtney Lang

Fair Trade Cities and Towns

Sarah Church

Responsible Purchasing Network



The Basics of Fair Trade

Courtney Lang

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Fair Trade Cities and Towns**

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What is Fair Trade?

“Fair trade” represents an innovative, market-based strategy that works to ensure fair labor practices and environmental sustainability in commodity and craft production abroad.

Fair trade goods are often comparably priced with conventional goods, due to a more direct supply chain.

Why is Fair Trade Important?

[...]

Fair Trade Purchasing Made Easy

Sarah Church

**Food Policy Specialist,
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Fair Trade: A Useful Strategy for Purchasers

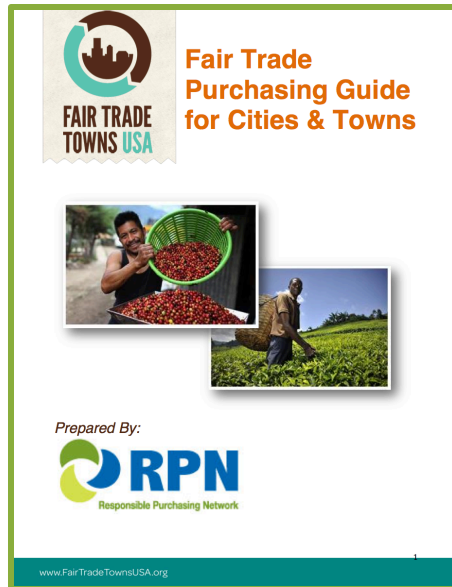
- Fulfill a “sustainability” policy beyond environmental issues (labor fairness, etc.)
- Help show commitment to sustainability, fair wages, and the public good
- Complements to “local” food purchasing for imported goods
- Clear certification labels make purchasing easier



Presenting... the Purchasing Guides

Cities & Towns

Colleges & Universities



- Designed for purchasers and purchasing advocates
- Two-page summary
- Model specs and contract language
- Certifications, tips for purchasing



Which Products?

Coffee, Tea, Sugar, Cocoa

- Widely available in the marketplace
- Price-competitive
- Shelf-stable
- Part of a beverage service



Fair Trade Policy Language

Coffee, Tea, Sugar and Cocoa

- “All coffee, tea, sugar or cocoa products shall be purchased **with a fair trade certification** from **Fair Trade USA, Fair for Life, or Fairtrade America**.
- “**These requirements apply to all purchases** of coffee, tea, sugar and cocoa through use of commodity and service contracts where food or other covered products are supplied, including employees’ purchase cards (p-cards).
- “All purchases of fair trade product shall be **tracked** by the vendor, and presented in an annual report with the total volume or dollar amount of fair trade purchases.”



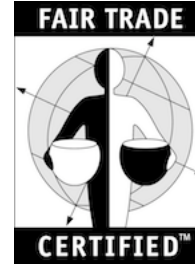
Certifications and Labels



Fair for Life



Fair Trade USA



Fairtrade America

Certifiers verify that production of goods...

- meets their social and environmental standards
- complies with domestic labor laws in the countries where goods are produced, and
- is consistent with International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work.



Four Products, Endless Varieties

- *Coffee*: caffeinated and decaf, sold as whole bean, ground, freeze-dried, pillow packs, Keurig cups...
- *Tea*: Bulk or bags
- *Sugar*: Packets, granular, cubes
- *Cocoa*: hot and cold beverage chocolate, in bulk or packets



Opportunities to Purchase Fair Trade **Commodities**

- Commodity Contracts
 - Food/Grocery
 - Office Supply
 - Breakroom Supplies
- P-card Purchases



Bid Specification Language: Commodities

e.g. buying groceries

*“All coffee, tea, sugar or cocoa products offered on this contract shall have a fair trade certification from **Fair Trade USA, Fair for Life, or Fairtrade America.**”*

On the Bid Sheet:

Product Description	Certifications of Product Offered	Unit of Measure	Price
<i>Black Tea Bags, 24 per box, Fair for Life- OR Fair Trade USA- OR Fairtrade America-certified.</i>	VENDOR INPUT	6 boxes/case	VENDOR INPUT



Opportunities to Purchase Fair Trade Through Services

- Service Agreements
 - Food Services
 - Catering
 - Concessions
(parks, zoos, conference centers, ball fields, government buildings or facilities)



Bid Specification Language: Food Services

e.g. buying food services for a veteran's home

Request for Proposals (RFP) for Food Services

Respondent must include sample menus detailing food provided.

Sustainable food items must be included in the overall operation.

Sustainable foods are those which, through their production, purchase, and consumption, enhance the health of the environment, producers and consumers. Sustainable foods carry one of the following certifications: USDA Certified Organic, Fair for Life Certified, Fair Trade USA Certified, Fairtrade America Certified, Protected Harvest Certified or Certified Humane.



Poll Question

What would make it easier for you to buy fair trade products?

- Knowing where to find and buy fair trade
- Knowing the full selection of fair trade products available
- Affordable prices
- Not having to change vendors

VOTE NOW



Best Practices

How to get the best selection and prices on Fair Trade goods

Best Practice: Add Fair Trade to your Core List

- “Market basket list” or “core list” includes items purchased in the largest quantities
- ~ 100 products, not thousands
- Used to award to lowest bidder
- Gain the greatest discounts – up to 65%
- Core list is the best place for fair trade items!
- Prohibit or remove non-fair trade items
- Use usage numbers from comparable conventional products

CENTRAL DISTRIBUTION CENTER
FROZEN PRODUCTS
7-01-2007 THROUGH 6-30-2008

COMPLETE THE FOLLOWING CHART USING PRICING EFFECTIVE
JUNE 8, 2009 - QUANTITIES AND PRODUCTS LISTED ARE
A SAMPLING USED BY THE CENTRAL DISTRIBUTION CENTER

PRODUCT	CDC CODE	PACK SIZE	QUANTITY PURCHASED	COST PL % OF C
Apple Juice Frz.	2129	12/32 oz.	265	
Batter Dipt Fish	1012	10#	2,000#	
Beef Cubed	1155	10,15,20#	37,705#	
Beef Ground 19%	1163	10#	59,107#	
Beef Patties 19% 4 oz.	1138	10#	27150#	
Broccoli Chop. Frz.	2223	12/2.5#	825	
Cheese Pizza	4017	96/4.5 oz.	2500	
Chicken Breast	1146	6 oz. 24/ box	1,069 cs.	
Chicken Strips Raw	1151	40#	33,560#	
Chicken Wings	1150	40#	3646 cs.	
Chopped Turkey	1212	18#	18,990#	

Best Practice: Secure the Right to “Opportunity Buys”



Typically, all products are purchased from the same vendor, sometimes restricted by the contract



If your contract protects “Opportunity Buys” for fair trade goods without a penalty, you can get the products you want from another vendor



Strategies: Secure a Wide Selection of Fair Trade Goods

- Let bidders know that you plan to purchase ONLY fair trade coffee, etc. (do not include a line item for conventional)
- Publicize bid request widely
- Use a Vendor Questionnaire, or other point-based system
- Allow for multiple awards



A Word on... Artisan Goods



Consider:

- Gift baskets
- Décor
- Kitchen items for breakroom



Strategies: Maximize Fair Trade Impact



- Establish or work with a committee
- Ask vendor to track purchases
- Set goals to speed implementation/expansion
- Consider additional products, such as bananas

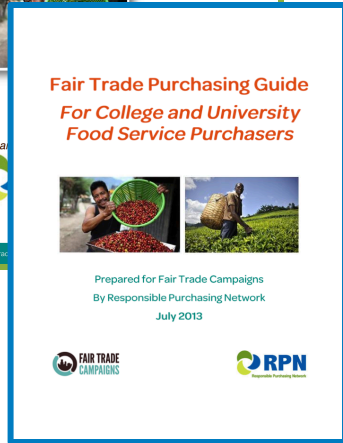


What's on the Horizon?



- New sizes and containers for coffee and tea
- Domestic fair trade
- Support for sustainable and just agricultural products is growing





Questions?

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Kuapa Kokoo, Ghana, © Kenneth Havgaard 2006



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