FROM OFFSETTING TO INSETTING –
MAKING CARBON WORK FOR SMALL FARMERS

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THE GLOBAL REACH OF FAIRTRADE

- Offices in Bonn, San Jose, Cape Town & Bangalore
- More than 120 auditors located across 70 countries
- Approx. 2000 physical audits per year.
- Direct access to approx. 1.7 million small farmers & workers
- 20 Consumer countries in the North
- 54 producing countries in the South

- One global data collection system
- Closed supply chain certification system (cradle to gate)
CONNECTING WITH LEADING BUSINESSES
When we talk about Climate Change we advocate sustainable land management.
WHAT FAIRTRADE SMALL FARMERS REPORT

- Yields are declining 76%
- Not able to afford adaptation/mitigation 83%
- Knowledge about carbon labelling/purchasing requirements 64%
- Carbon Footprinting requested 20%
RECENT MARKET DEVELOPMENTS

- **Unilever**: all suppliers to reduce EF by 50%
- **Unilever**: 100% sustainable procurement of agricultural materials
- **Tesco**: all suppliers to reduce CF by 30% over 10 years
- **WalMart**: Supplier sustainability questionnaire – preferential purchasing – new targets set for reduction
- **REWE Pro Planet**: Sustainability umbrella label on all products over 10 years
- **Carbon labelling market size UK**: 2 billion £ in 2 years (FT UK – 1 billion £ in 15 years)
WHAT DO WE WANT TO ACHIEVE?

• **Cost efficient** systems for carbon accounting/data generation – we’re a local global service provider

• **Generate funding mechanism** for adaptation through *Insetting*
Our take on Product Carbon Footprinting

PCF Assessments can be seen as:

1. Marketing Tool

2. Monitoring Tool on farm level

Our assessments:
- Footprint Expert Tool/Cool Farm Tool
- PAS 2050/WRI compliant
- Verified primary data
PRODUCT CARBON FOOTPRINT ASSESSMENTS

PCF Assessments* completed for:
- Rice from India and Thailand
- Flowers from Kenya and Equador
- Coffee from Nicaragua and Peru
- Coffee from Tanzania
- Tea from Kenya and India
- Bananas from Peru, Panama, Costa Rica, Ecuador

*Mostly cradle to gate, but also up to farm gate/import level PAS 2050 assessments
Insetting

- We challenge buyers to re-direct off-setting investment into projects in own supply chain
- *Insetting* is investing in projects that have an adaptation outcome in a product supply chain
- Advantages of *Insetting* projects on farm level:
  - Additional income for producers
  - Increased resilience against Climate Change
  - Buyers secure their own supply
  - Buyers get Carbon Credits with a real meaning
  - Reduced carbon footprint of the product being produced (e.g. through yield increases)
Insetting in Horticulture

- Slightly more complex to intervene in production
- Potential solution is to look at worker community:
  - Efficient cookstoves to reduce need for firewood
  - Water filters that make boiling water superfluous and reduces need for firewood

- Two major European Supermarkets committed to this approach
THANK YOU