Terms of Reference

Estimation of the carbon footprint of fair trade handicraft products

Deadline for submissions of Expression of Interest: 1st of October 2021

Commissioning organisation

Oxfam-Magasins du monde (OMdm) is one Belgian affiliate of Oxfam International, a confederation of 20 organisations that fight worldwide against injustice and poverty. As a social economy organisation, it promotes alternative economic models through its network of Fair Trade shops in Brussels and in Wallonia, and its awareness raising campaigns supported by its movement of 4,500 volunteers. In the framework of its 2030 strategic plan, it seeks to better understand and reduce the environmental impacts of its activities.

Background

Megafires in California, heat dome in Canada, floods in Europe, heat wave in Greenland: the year 2021 has witnessed an unprecedented record of catastrophic events linked to climate change. Meanwhile, July 2021 was officially recorded as the hottest month ever[1].

All those signs show an acceleration of the climate crisis, both in terms of frequency and intensity of the events, as recently outlined by the IPCC sixth assessment report[2]. Despite indications of increased commitments at state level[3], notably ahead of the COP26 in Glasgow, a large part of the burden still relies on non-states actors, such as regions, cities and businesses[4]. Among the latter's, fair trade organizations (FTOs) need also to "do their part" [5].

Examples of FTO's recent commitment include: WFTO's new principle 10[6] and its 'People and Planet Initiative'[7]; changes in the criteria of the *Fairtrade International* label and its implementation of "fair trade carbon credits"[8]; the multiplication of environmental impact studies; the development of labels combing fair trade and organic criteria (e.g. *Naturland Fair*); the launch of Northern fair trade approaches (e.g. *Ethiquable, Oxfam-Magasins du monde*)[9].

A number of awareness raising campaigns linking climate justice to trade practices and policies have also been launched, for example "Commerce équitable et climat, même combat" in France[10], "Fair

[1] NOAA. 13/08/2021. It's official: July was Earth's hottest month on record.
[2] IPCC. August 2021. Sixth Assessment Report.
[3] Examples: new US pledge of 50% reduction in emissions by 2030 compared to 2005 or UK's target of 68% cuts by 2030, following commitments by China, Japan and South Korea to become carbon neutral by 2050 (2060 for China). See also the new EU target for 2030 upped to -55% emissions (from -40% previously).
[4] NewClimate Institute. 23/06/2021. Global climate action from cities, regions and businesses.
[5] Even though FTOs focus historically more on socio-economic aspects and probably have a lower carbon footprint than most other organisations, due *inter alia* to their generally more limited scale.
[6] The content of principle 10 was revised in 2019 and it was renamed "*Climate Crisis and Protecting our Planet*". WFTO. 20/09/2019. Fair trade calls climate emergency, revises principles.
[7] WFTO. People and planet initiative.
[8] Fairtrade International. Carbon credits.
[9] Veillard P. 2020. Pour un commerce équitable plus soutenable. Dossier de campagne Oxfam-Magasins du monde.
[10] CEF. Commerce équitable et climat : même combat !

trade and climate justice" in the UK[11], or more recently, "Climate justice : let's do it fair" at European level[12].

In spite of these different initiatives, the level of knowledge of most FTOs about their climate impact seems to be rather low, without mentioning their global environmental impact. A few have undertaken to measure more precisely the carbon footprint[13] of their activities and/or supply chains (ex. Oxfam Intermon in Spain[14], GEPA in Germany, Seepje in Holland[15], Oxfam-Magasins du monde[16] or Oxfam Fair Trade in Belgium), but those initiatives stay often limited[17]. This lack of data is also observed in the scientific literature, where very few references to studies specific to fair trade can be found[18].

This is even more so the case in the craft / textile sectors, where data is very scarce even for the so-called conventional sector (see bibliography below). The reasons for this are quite straightforward: craft is characterized by a large diversity of raw materials and processes, is most often done in Southern countries, with lower capacities in terms of monitoring / traceability. Perhaps more importantly, the craft sector's sales are relatively low. As a result, the ratio benefits / costs of a carbon footprint study is less profitable than for example in the food sector.

Despite these different obstacles, it becomes more and more difficult for FTOs to stay passive in this field. As mentioned above, they need to "do their part" and align their practices along with their communication and campaigning. Also, from a legal and commercial point of view, consumers and regulatory bodies will be increasingly demanding for proofs of "walking the talk", i.e. to lower the carbon impact of FT handicraft products. This is even more relevant when you consider the risks associated with products such as ones derived from animal raw material (ex. leather or wool products, cf. high carbon emissions linked to livestock).

There is thus a pressing need for a better overview of the carbon footprint of a significant range of fair trade handicraft products. There should be benefits from a product development and eco-design perspective (e.g. not selecting or improving some low performing products) as well as for communicational purposes (e.g. marketing the low-emitting or even CO_2 net absorbing products such as the ones made of jute[19]).

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[11] Fairtrade Foundation. Fair trade and climate justice.

[12] EFTA. Climate justice: let's do it fair.

[13] As a recall, the carbon footprint is the amount of greenhouse gases (GHG) released, directly and indirectly, into the atmosphere as a result of the activities of a particular individual, organization or life cycle of a product. Carbon footprints are usually measured in equivalent tons of carbon dioxide (CO_{2e}). The methodology used to calculate the carbon footprint of a product is generally the same as for (more global) life cycle analysis (LCAs), but on only one environmental component, the GHG emissions.

[14] Anthesis Lavola. 2020. Auditoria CO_2 y desarrollo de un Plan de Acción Medioambiental para Oxfam Intermón (OES). Informe de resultados de Auditoria de la Huella de Carbono de Oxfam Intermón 2010-2019.

[15] Seepje. 08/04/2020. Himalayan supershells. Achieving carbon neutrality. Consultancy report by Utrecht University.

[16] Ernst C. Décembre 2013. Pistes d'amélioration de l'impact environnemental d'Oxfam-Magasins du monde via un audit carbone.

[17] Other organisations have in the past conducted more systematic LCAs of products. See for example :

- Oxfam Fair Trade. 2010. Life cycle assessment of wine.
- Artisans du Monde. Avril 2011. Pré-évaluation environnementale en cycle de vie d'une filière de confiture d'ananas élaborée au Laos et commercialisée en France. Réalisation Cemagref.

[18] One example of study found: Fairtrade International. July 2018. Life cycle assessment cut roses.

[19] PHWC. May 2006. Life cycle assessment of jute products.

Objectives

- The main objective of this study is to estimate the carbon footprint of a diverse and representative range of FT handicraft products, both for product development and communicational purposes.
- A secondary objective is to get a better general understanding of the carbon emitting phases within craft products' life cycles and where significative improvements can be achieved.

Methodology and questions addressed

Notwithstanding other approaches that the contractors may identify, the commissioning organization propose the following methodology, mostly based on desk research.

A first step would consist in conducting a literature analysis of existing carbon footprints in the craft sector. The objective here would be to obtain a better overview / understanding of the impacts and footprints of various products and raw materials, as well as to identify relevant sources of data useful for the second part. Beside scientific literature, another source of information might come from FTOs willing to share some internal studies, i.e. not publically available.

The second step would be the estimation of the carbon footprint of minimum 10 handicraft products by approximate calculations, using generic database and hypothesis, through a life cycle analysis approach (cradle to cradle or if not possible, cradle to gate).

For this second part, the products chosen should correspond to a wide variety of raw materials, modes of production, countries of origins as well as transportation modes. Examples of products: Indian cotton scarf, Vietnamese coconut bowl, Indonesian wood toy, Indian leather wallet, Chilean silver jewellery, Bangladeshi jute bag or basket, Indian cotton carpet[20].

Beside availability of generic data, the selection criteria should also include OMdm's level of sales (i.e. which need to be relatively high in order for the product to be representative of fair trade), whose estimates can be provided.

The other criteria and the final selection of products should be based on discussions between OMdm and the appointed contractors. The end result of the selection should in any case correspond to a good balance between commercial relevance and availability of data (which conditions the feasibility of the calculation).

A third step would be the proposition of possible solutions to achieve the necessary reductions in the highest emitting phases / products, without impacting on artisans' livelihoods. Recommendations could also include the identification of alternatives in the case of products generating emissions unacceptably high.

In case of incomplete / lack of data, the desk research work could be combined with interviews of selected stakeholders, i.e. mostly FTOs employees, academics, NGOs experts, etc.

Expected results

The contractors will be expected to produce a fully referenced report (in French or English) including, as a minimum:

- an executive summary of the results and recommendations;
- a methodological description;

[20] Plomteux A. December 2018. Fair Trade, Handicraft Production and the Environment: Environmental Impact of the Fair Trade Handicraft Production.

- a literature review;
- the estimation of the carbon footprint of minimum 10 handicraft products;
- a critical analysis of the results obtained;
- some recommendations regarding :
    - communication of the results (internal as well as external);
    - their use for eco-design / product development / sourcing of raw material / traceability;
    - how to proceed with a more in-depth calculation for one or several handicraft products (object of a potential future awareness-raising campaign);
- annexes.

Final and intermediate results should also be presented in ppt format in between and at the end of the project timeline and during a workshop (on-line or physical) possibly involving several European FTOs (see schedule below).

Tentative timeline

Target	**Date**
Publication of call for expression of interest	02 September 2021
Submission of expression of interest	Until 01 October 2021
Contractors appointed	08 October 2021
Ppt of intermediate results: preliminary findings and feedback from relevant stakeholders.	12 November 2021
Ppt of final results and recommendations (physical or on-line webinar)	17 December 2021
End of contract	24 December 2021

An updated timeline will be agreed when the contract is signed. Failure to meet agreed deadlines will result in a financial penalty of up to 20% to the total eligible payment (see below).

Budget

The total maximum budget which can be allocated to this study is € 10,000 (including VAT). The financial offer to be submitted by interested parties must be inclusive of all potential on-costs, such as sourcing data, material and the consultant own travels.

Request for Expression of Interest – due by 1st of October 2021

The commissioning organization invites experienced contractors to indicate their interest in undertaking the research described above. Please note that only consultants based in an EU Member State can submit offers.

Interested contractors should provide:

- A brief description of their main areas of expertise and experience with regards to carbon footprint calculations, LCAs, fair and sustainable supply chains and other relevant environmental analysis ;
- A letter of intent (not exceeding 2 pages) indicating the approach they would take and their recommended methodology ;
- A financial proposal (including all expenses and VAT) along with a project timeline ;
- Interested applicants may choose to submit up to five pages of supplementary information (such as CV of main person in charge or case studies of previous work).

Please submit your expression of interest no later than the 1st of October 2021 to Patrick Veillard (Patrick.Veillard@mdmoxfam.be), with the subject line: Name of the provider + handicraft carbon footprint offer 2021.

The following evaluation criteria will be used to select the contractor:

- Admissibility: deadline respected, timetable proposed, independence from the commissioning organizations ;
- Quality of the methodology proposed ;
- Quality of the research team ;
- Quality of the financial offer;

The commissioning organizations reserve the right not to accept any expression of interest submitted.

Depending on the outcome of the study, the study and/or key findings may be published at the OMdm's discretion, with due public credit for authorship. Intellectual property for the report received will be owned by OMDm unless otherwise agreed.

Indicative bibliography

Please find below examples of LCA identified in the scientific literature on various handicraft / textile products.

- Joseph K., Nithya N. 2009. Material flows in the life cycle of leather. Journal of Cleaner Production, 17(7), p. 676-682.
- Mistra Future Fashion. 2018. LCA on fast and slow garment prototypes.
- UK Environment Agency. 2011. Life cycle assessment of supermarket carrier bags: a review of the bags available in 2006.
- Danish Environmental Protection Agency. February 2018. Life Cycle Assessment of grocery carrier bags.
- Khan E. *et al*. 2018. Lifecycle Analysis (LCA) of a White Cotton Tshirt and Investigation of Sustainability Hot Spots: A Case Study. London Journal of Research in Science, 18(3), p. 21-31.