







# Fair Trade, Rural Entrepreneurship and Women's Empowerment

## **E-learning course material**

## MedRiSSE project

Replicable Innovations of SSE in the provision of services & creation of decent jobs in the post covid-19 crisis recovery



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#### 0. Introduction

For decades, fair trade has emerged as a model used to promote **fair relations between producers and consumers** and a shift towards an economic model that respects **people's rights** as well as the **environment**. In particular, this model can be of great use in addressing the **gender inequalities** that still persist in our society, where the empowerment of women is fundamental to achieve inclusive and equitable economic development.

In this course we will analyse why it is important to **promote fair trade**, with the specific objective of contributing to reducing **gender inequalities** and supporting **rural value chains**. We will also present a **practical implementation method** for the design and implementation of a **support strategy** to rural value chains for women empowerment, as well as the key contextual **determinants**, the possible **risks** and the **strategies** to face these risks.

## 1. What is Fair trade and why is it relevant to promote it?

The principal international fair-trade organisations have agreed the following definition:

"Fair trade is a trading partnership 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 organisations, 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."

Fair trade respects decent working conditions for the producers of the South, guarantees them fair wages, defends equality, prevents the exploitation of child labour, is environmentally-friendly and contributes to sustainable development. The National Fair Trade Coordination Committee (Coordinadora Estatal de Comercio Justo, or CECJ), the Spanish Fair-trade platform, defines it as:

# "an alternative, solidarity-based trade system that pursues human development and fights poverty"

Fair trade's main challenge is to regulate and re-balance world trade to benefit the most disadvantaged groups, i.e. producers of the South. The objective is therefore that the

process of production and trade should have a **social impact within the local economies** of the most impoverished communities and countries.



Read The 10 principles of Fair trade

It originated in the United States in the 1940s and 50s, although it was in Europe that the first fair-trade organisation was founded (United Kingdom, 1964), and the first importer (Netherlands, 1967) and the first shop (Breukelen, 1969) were opened.

This type of trade was the response of groups of craftspeople who opposed the conventional market, which refused them entry or favoured middlepersons. Since it was started, fair trade has had a real impact on producer communities, registering steady growth, although this has weakened since 2008 due to the international financial crisis. There are currently over **500 organisations in 65 countries**, and over **4,000 specialised shops** selling a wide variety of food, handicraft, and textile products.

Most of the organisations of the South are cooperatives, workshops and small factories; there are also an increasing number of private companies. Altogether, these represent **over five million people**. Selling through fair trade has important consequences for the producers, although the majority only sell a small part of their production to fair-trade importers (they sell the rest on local markets or through traditional trade channels). The higher price paid by fair trade provides them with additional income with which to **improve their quality of life**: send their children to school, improve the home, save and invest in their organisations, in order to create stronger and more stable structures.

## 2. Fair trade and gender equality

The **promotion of opportunities for women** is one of the underlying principles of the fair-trade model. Fair-trade organisations include respect for women in their criteria and seek to empower women by addressing the inequalities they experience in their own communities. While it is true that fair trade does not question the structural processes that perpetuate gender inequalities (just as it does not question the neoclassical economic principles of the pursuit of individual self-interest or free market competition), it does seek **to make global economic structures more equitable** through consumer choice and improved market access.



Even when women work longer hours than men, they are **often underrepresented and underpaid**, and their contributions at home and in the workplace are often invisible. Therefore, some of the objectives of fair trade are **valuing women's employment**, guaranteeing income levels, access to technology and credit and promote the capacity to make their own decisions.

Currently around the world, women's **involvement in fair trade is considerable**. Women participate directly in fair-trade production processes such as coffee, banana, handicrafts or horticulture, among others. As the number of fair-trade-certified products increases, the number of **women involved is likely to increase**.

There are, however, a number of **biases** (as Steinkopf<sup>1</sup> points out) that we need to take into account in order to have a systematic understanding of the challenges of fair trade in addressing gender inequalities:

- Rural bias: although fair trade makes a strong emphasis on rural agricultural products, we cannot lose sight of the fact that the majority of the world's population lives in cities, and in particular, the number of women in marginalised areas is a growing problem in the developing world.
- Gendered production structures: In many developing countries, commercial
  agricultural production is still considered to be the work of men, who also control
  most of the cooperatives. Meanwhile, subsistence production for the household
  is often still considered women's work.
- **Productive structures under neoliberalism**: fair trade still faces major challenges in benefiting those women, particularly in urban areas, who work in low-skilled, low-wage jobs in export-oriented factories or services. In these respects, fair trade still faces multiple difficulties in addressing the structural dynamics that generate gender inequalities.
- Gender allocation of labour: although this is slowly changing, women are still
  the main caretakers of children and the household, which in many cases means
  that they have to do their work while juggling their daily duties as women,
  including childcare, meal preparation and agricultural work. For this reason, the
  production of fair trade products must be integrated into their daily tasks and
  contribute to changing the patriarchal norms of society.
- **Social Services and the State**: the fair-trade solution to the diminishing social services in less developed countries is to support community-led efforts to purchase social goods such as education and health care. While this certainly benefits the local population, as long as the need for greater state provision of social services is not addressed, trade liberalisation (even if it is fair trade) will continue to disproportionately disadvantage women and vulnerable groups.

<sup>&</sup>lt;sup>1</sup> Steinkopf J. 2009. Free Trade, Fair Trade and Gender Inequality in Less Developed Countries, Sustainable Development, Sust. Dev. 18, 42–50 (2010)

• **Fair-trade Cooperatives**: while fair trade provides potential to empower women in many ways, it is important to recognise that women's cooperatives are not infallible; rather, they are susceptible to inequalities based on age, social class, craft skill and other sources of status and power<sup>2</sup>. Competition among cooperatives for access to export markets is also a problem that can undermine the benefits gained from collective work<sup>3</sup>.

It is important to take these biases into account in order to be aware of the impact that the strategy we design can have and to take advantage of the potential of fair trade to achieve sustainable development while promoting real gender equality.

## 3. Support to rural value chains for women empowerment

As explained, the fair-trade model can contribute to the economic empowerment of women and gender equality. In this sense, placing women and other possible vulnerable groups in the focus of support strategies that **promote rural entrepreneurship** from the perspective of **fair trade**, can play a very important transformative role.

One of the ways in which we can enhance this empowerment is by providing an integrated (drawing from public and private support and resources) and comprehensive (intervening on both supply and demand side) **support to boost rural value chains**, acting through the social and economic empowerment of vulnerable social groups (targeted vulnerable women, in this case). This will involve developing and strengthening **viable and sustainable economic activities** among rural women through training programmes, input support and local and international promotion of their products with sustainability and responsible consumption criteria.

A support programme of this kind will focus on **capacity building** for women working in targeted cooperatives to improve their skills and competencies in business

*Global Economy*, Grimes KM, Milgram BL (eds). University of Arizona Press: Tucson, AZ; 107–128.

<sup>&</sup>lt;sup>2</sup> Milgram BL. 2000. Reorganizing textile production for the global market. In *Artisans and Cooperatives: Developing Alternative Trade for the*Global Economy, Grimes KM, Milgram BL (eds.) University of Arizona Press: Tucson, A7: 107

<sup>&</sup>lt;sup>3</sup> Cohen JH. 2000. Textile production in rural Oaxaca, Mexico. In *Artisans and Cooperatives: Developing Alternative Trade for the Global Economy*, Grimes KM, Milgram BL (eds). University of Arizona Press: Tucson, AZ; 129–141.

management, accounting, marketing and branding. In addition, it will provide the necessary skills to ensure sustainable, safe and high quality production, or **quality management systems**, as well as new knowledge on foreign quality standards, fair-trade and labour rights. Representatives of women's cooperative groups can benefit, for example, from **learning visits** to their cooperative peers in other countries, which is a good approach to establish direct contacts with interested importing companies and to engage in fair trade; or from support for the **formal registration** of their own labels and certification, among other things.

On the other hand, a rural value chain support strategy for women's empowerment will also need to focus on the **demand side**. It will be necessary to contribute positively to improving the **image** of rural products as high quality products and to **raise consumer awareness** of the importance of buying local rural products as a means to support and protect small rural producers, especially women, and the local economy in general.

This will require a **continuous and close collaboration** with the public sector, the private sector, civil society organisations and other actors such as universities. Therefore, the following sections will explain in detail how to develop a support programme to rural value chains for women empowerment as an effective way to promote fair trade while contributing to reducing gender inequalities.

## 4. Practical Implementation Method

## 4.1. Key elements of the process

In this section we will explain the **key phases** and the respective **main actors**, **resources and actions** for the creation and implementation of a strategy. We will complete the overview of the strategy by analysing, in the following sections, the key determinants for replicating the model, as well as the potential risks and respective mitigation measures, key to be taken into account by those who are thinking of embarking on such an experience.

Such a process can be developed in many different ways, and the contents presented in this module constitute only some **guidelines** that can serve as a reference for **designing and implementing a support programme to rural value chains for women empowerment**. This process will need to be adapted and implemented differently in each context, using the most appropriate ingredients available in each case.

The key elements triggering the process are:

Туре	Elements
Actors	<ul> <li>Targeted women consumer and production cooperatives/groups</li> <li>Targeted women's families and rural communities</li> <li>Key national ministry-level actors &amp; governmental institutions</li> <li>Key local governmental authorities</li> <li>Key private sector actors: market actors, fair trade and export agents, marketing firms, Chamber of Commerce, industry-specialised service providers, etc.</li> <li>Key civil society organisations: fair trade NGOs, women's local associations, consumer associations and labour, etc.</li> <li>Key Universities</li> <li>Consumers/clients</li> <li>Project staff</li> </ul>
Resources	<ul> <li>Financial resources (project funding)</li> <li>Human capital skills, expertise and know-how</li> <li>Data and information collected on the cooperative sector</li> <li>Governmental authorisations to register as a formal economic activity, register a label, attain quality certificates, sell and export products, etc.</li> <li>Strategic networks with civil, governmental and private actors</li> <li>E-commerce platform for markets</li> <li>Transportation infrastructure &amp; logistics</li> <li>Marketplace: local fairs, exhibitions, supermarkets, etc.</li> <li>Online &amp; offline communication tools: social media, leaflets, posters, brochures, TV and radio channels, etc.</li> </ul>
Actions	<ol> <li>Need assessment of targeted cooperatives (preliminary research, field visits and multi-sector stakeholder meetings)</li> <li>Market study for exports</li> <li>Planning of awareness campaign strategy</li> <li>Delivery of capacity building for targeted cooperatives</li> <li>Creation of own seal (and logo)</li> <li>Support to cooperatives in formalising as legal entities (including registering their own label, for some) and to ensure their product compliancy with legal quality requirements and to attain quality certifications</li> <li>Provision of production inputs (i.e. machinery and quality equipment) for targeted cooperatives</li> </ol>

	<ul><li>8. Support to export rural products</li><li>9. Delivery of the awareness campaign strategy</li></ul>
Outputs	<ul> <li>Campaign strategy</li> <li>Improved "image" &amp; packaging of rural products</li> <li>Healthier and higher-quality rural products</li> <li>Legally registered own seal</li> <li>Local products showcasing own seal</li> <li>Increased number of legally registered cooperatives &amp; labels</li> <li>Increased number of quality-certified products</li> <li>Increased cooperatives production capacity</li> <li>Business partnerships established between private/NGO organisations and supported cooperatives</li> <li>Rural products sold in external markets</li> <li>Increased cooperatives sales &amp; income</li> <li>Increased number of women working in the cooperatives</li> </ul>
Outcomes	<ul> <li>Increased women's social &amp; economic empowerment</li> <li>Increased quality and safety of rural products</li> <li>Enhanced image and consumers' recognition of rural products</li> <li>Increased market demand for local rural products</li> <li>Increased consumers solidarity with local rural producers</li> <li>Enhanced cooperatives legal guarantees &amp; protection</li> <li>Increased public-private dialogue and collaboration to support the cooperative sector</li> <li>Sensitised governmental actors' on the importance of enabling legal framework to support and protect the local economy</li> </ul>
Impacts (MAIN TARGETED SDGS: Sustainable Development Goals)	<ul> <li>1 No poverty</li> <li>5 Gender equality</li> <li>8 Decent work and economic growth</li> <li>10 Reduced inequalities</li> <li>12 Sustainable consumption and production patterns</li> <li>16 Peace, justice and strong institutions</li> <li>17 Partnerships for the goals</li> </ul>

## 4.2. PHASE 0. Triggering factors



# Self-assessment questions to start

To begin with, we can use the following questions as a starting point for our assessment before we start planning our support strategy:

- 1. What are the **local rural value chains** that can and need to be supported in your territory? What are the key needs, gaps, challenges, and barriers they face?
- 2. Are local rural producers threatened by more competitive national or foreign goods? Do they have the means and skills to **compete** with national and foreign goods?
- **3.** Do local rural products satisfy consumers' and legal **quality standards**?
- 4. Do certain **social groups** face greater challenges for access, participation, and representation in local rural value chains? (i.e. women, people with disabilities, *individuals from disadvantaged contexts)*

## 4.3. PHASE 1. Preparing the ground for the strategy. *Preliminary rural value* chain need assessment and stakeholder engagement

The first planning phase of the support strategy will mainly focus on deepening the understanding of the cooperative sector, specifically the cooperatives operating in the rural value chains and, in particular, women's rural production and consumer cooperatives. Therefore, the key actors, resources and activities in this phase are explained below.



Suggested actions to prepare the ground in relation to the **main actors** are as follows:

- ✓ When assessing a local rural value chain, make sure to have consumers and **producers' first-hand view** on their needs, challenges and barriers.
- ✓ Engage key **ministry-level** actors to properly understand the legal framework.
- ✓ Among other key advantages, local authorities' support and endorsement can be strategic to overcome possible future resistances.

- ✓ Connect with key **private sector actors** to assess and consider the market potential of the value chain you intend to support, both nationally and internationally.
- ✓ Engage key **civil society actors, NGOs** and **labour unions**, which, in this preliminary phase, can help you to assess the value chain barriers and potentials to access the formal local and international marketplace.
- ✓ Make sure you can count on project staff having appropriate skills and expertise in research, data collection, and analysis, as well as core communication skills to elaborate an awareness campaign strategy.



## Main Resources

Suggested actions to prepare the ground in relation to the **main resources** are as follows:

- ✓ Appropriate financial resources need to be secured to carry out a thorough need assessment, insightful market studies and an effective awareness campaign strategy.
- ✓ Relying on good **networks** with civil society actors, governmental and private actors is strategic to reach out to key informants, stakeholders, beneficiaries of the local value chain you intend to support.
- ✓ It is key to rely on **up-to-date** and **quality data** and **information** on the specific sector you intend to support, including relevant insights on the applicable legal framework and related barriers, potential market trends, opportunities, and challenges.



## Main Activities

Suggested actions to prepare the ground in relation to the **main activities** are as follows:

- ✓ A well-rounded strategy to uplift a local rural value chain, especially if involving individuals belonging to vulnerable social contexts, should be anticipated by a thorough need assessment of directly and indirectly targeted economic actors through in-person meetings and field visits.
- ✓ Engage and connect key governmental actors from the very planning phase of the support strategy. Moreover, it is key to have political endorsement and

support to the planned activities to effectively reach out to the targeted beneficiaries. **Local authorities**, for example, may be strategic to overcome resistance when working in small rural communities and conservative environments and to make people understand the importance of seizing such support opportunities.

- ✓ When assessing the possible strategies to support a local value chain it is key to open dialogue with key stakeholders and informants ranging from different sectors, such as key private and civil sector actors, which may help to assess the accessibility of your local products to the national and international marketplace.
- ✓ To better assess and map the market placement potential of your local products in **national** and/or **foreign markets**, carry out an accurate market which should also allow you to attentively identify existing regulations, exporting procedures, legal barriers, and requirements.
- ✓ When planning an awareness campaign strategy to boost demand for your local rural products, it is key to promote an **effective and clear message** targeting the **right audience** and choosing **proper tools and channels** (audience-centred approach).



# 4.4. PHASE 2. Implementing the rural value chain support strategy. Strengthening supply and boosting demand

The second planning phase of the support strategy will focus on implementing the rural value chain support strategy, mainly by working comprehensively on both women's empowerment to **strengthen the supply** of rural products and public awareness to

**boost demand** for them. In addition, **public-private collaboration** is key to implementing the strategy. Therefore, the key actors, resources and activities in this second phase are explained below.



#### Main Actors

Suggested actions to prepare the ground in relation to the **main actors** are as follows:

- ✓ Target and address **key producers** of the rural value chain you intend to support to engage them in the capacity building program and overall support activities strengthening the supply side.
- ✓ If you are addressing **vulnerable economic actors** of the value chain, such as women coming from rural and conservative areas, make sure you properly engage and dialogue also with their **families** and **communities** to avoid their possible "resistance" toward the support activities and actors.
- ✓ When addressing rural communities, engage key local civil society organisations which can leverage key resources and networks, as well as facilitate reaching out to key targeted actors.
- ✓ Choose competent and highly skilled trainers to provide capacity building programs.
- ✓ Have your beneficiary economic actors meet with their peers in different cities, regions, or countries to learn from exchanging experiences and to foster strategic networking and connection opportunities.
- ✓ Engage and collaborate with **local universities** which can leverage useful resources and support (i.e. laboratories for quality analysis of the supported products of the rural value chain).
- ✓ Make sure you engage and foster collaboration with key governmental actors which can concretise (and facilitate) your support to the targeted rural value chain (i.e. support you in reaching out to targeted rural actors, in granting authorisations to formally register the cooperatives, their local seal, labels, or certifications).
- ✓ When working with a comprehensive approach to support a rural value chain it is key to foster collaborations with key local and international stakeholders such as key private and civil sector actors, which may support the access to the local and international marketplace.

- ✓ Make sure the awareness campaign is handled by skilled, fully dedicated, and experienced experts.
- ✓ Ensure a **competent**, **hands-on**, **and skilled staff** team that can oversee and provide the overall support strategy and activities.





Suggested actions to prepare the ground in relation to the **main resources** are as follows:

- ✓ To carry out a well-rounded value chain support strategy, appropriate financial resources need to be secured to carry out, among others, key actions such as the capacity building program, the provision of needed equipment and machinery for producers, the awareness campaign strategy, as well as to cover needed human resources overseeing and providing the support strategy and activities.
- ✓ Make sure you can count on a staff team/collaborators/external service providers having **appropriate expertise and skills** to oversee and provide the overall support strategy and activities, to provide capacity building programs, to deliver an effective awareness raising campaign, and to properly engage with stakeholders. Moreover, when dealing with vulnerable groups, proper experience, competences, sensibility, and cultural intelligence are needed to effectively engage and empower targeted actors.
- ✓ Relying on **strategic networks** with civil society organisations, governmental and private actors, and universities is strategic to leverage, in turn, needed resources for the support strategy (i.e. premises for the capacity building

programs, university laboratories for the products' quality analysis, governmental approvals/authorisations, logistics and moral support to involve targeted women, partnerships with national and international trade organisations).

- ✓ Make sure you identify the proper local, regional, national, or international marketplace to promote and sell targeted rural products.
- ✓ Should you envisage an exporting component of the rural value chain support strategy, identify strategic trade channels such as e-commerce platforms, or international fairs and exhibitions.
- ✓ For both national and international marketplace, make sure the needed transportation infrastructure and logistics is in place for your local rural products to reach local fairs and foreign markets.
- ✓ Choose the most suited tools, channels, and strategies to effectively deliver. the awareness campaign: i.e. online and offline communication tools, radio, and television spots.



## Main Activities

Suggested actions to prepare the ground for the **main activities** can be grouped into supply side activities and demand side activities.

## **Supply side activities - Soft intervention:**

- ✓ To strengthen the supply side of the rural value chain you intend to support, start by providing well-rounded and tailored capacity building programs for targeted rural producers. Enable them to achieve/strengthen their knowledge and skills in business management, marketing and branding, quality standards and quality management systems, sustainable production practices, labour rights, and fair trade, among others.
- ✓ Exchange visits with peers in different cities, regions, or countries can also be enriching and learning experiences, as well as strategic networking and connection opportunities.

#### **Supply side activities - Hard intervention:**

- ✓ In addition to contributing to the promotion of the local rural products, registering a **local**, **regional**, **or national Seal** (and logo) may particularly benefit small cooperatives and producers that are less likely to register their own label due to generally burdensome and costly procedures and requirements.
- ✓ To access formal markets, economic activities and their products/services need to go through mandatory legal steps. However, for economic activities to obtain **formal registration**, and for their products/services to comply with legal **quality requirements**, **or attain quality certifications**, **complex and costly procedures** are generally required. These steps may constitute harsh barriers particularly for small-scale economic actors coming from rural or disadvantaged areas, or belonging to vulnerable social groups (i.e. women, people with disabilities, migrants). In these cases, the latter can greatly benefit from first-hand support and close guidance to navigate through bureaucracy practices.
- ✓ Should your budget allow, provide quality equipment to your targeted rural producers in order for them to increase or improve production/sales (i.e. agricultural inputs, handicraft tools, food processing and conservation machinery)
- ✓ When working with a comprehensive approach to support a rural value chain it is key to **foster collaborations** and partnerships with key trade actors, such as private sector organisations and civil society organisations which may help your rural products to access the local and international marketplace.

#### **Demand side activities:**

- ✓ Deliver the **awareness campaigns** to enhance the image of your rural products as high-quality products and to raise consumers' awareness of the importance of purchasing local rural products to uphold and protect rural producers and support the local rural economy. Promote an **effective and clear message** targeting the **right audience** and choosing **proper tools and channels**.
- ✓ Engage in the Campaign **key actors and organisations** (i.e. governmental actors, key trade agents, activists, successful social media influencers, Universities, key interest groups, rural producers).
- ✓ Produce and disseminate effective video and audio footage (i.e. interviews to rural producers).
- ✓ Plan for an effective media coverage (TV and radio) of the Campaign thorough

**strategic partnerships** with broadcasting companies.

- ✓ If delivering a **social media** campaign, choose the appropriate channels, make good use of effective hashtags, and engage successful local influencers.
- ✓ Distribution and dissemination of **visibility materials** and posters (i.e. pamphlets, posters) can be useful for certain targets and contexts.
- ✓ Strategic "marketing spots", such as dedicated shelves in targeted supermarkets can be an effective strategy to promote and sell rural products.
- ✓ When organising a promotional exhibition or local fairs to promote the rural products, plan for preliminary trainings to participating producers/cooperatives to improve the packaging and labelling of their products. choose the most appropriate and strategic timing.
- ✓ When organising **local fairs** to promote rural products, opting for local fairs in multiple areas may unlock more advantages compared to major shopping malls and supermarkets in city centres, where competition is stronger. Moreover, avoiding long distance transportation benefits the conservation of the quality of rural products and reduces transportation costs for rural producers.

## 4.5. PHASE 3. Ensuring sustainable support to rural value chains

In this phase we will focus on identifying the key measures that can be implemented to **promote the sustainability** of the selected rural value chain support strategy. For this purpose, we will classify these measures according to social sustainability, economic sustainability, institutional sustainability and environmental sustainability.

## **Social Sustainability**

#### **Sugested Actions for Social Sustainability**

- ✓ Working to uplift a rural value chain gives you a unique opportunity to target and empower (potentially) involved economic actors belonging to **vulnerable social groups** (i.e. women, people with disabilities, people with disadvantaged backgrounds).
- ✓ To achieve positive long-term social inclusion effects, make sure you provide them the needed means and skills to contribute to their own empowerment, hence increasing their decision-making power and uplifting their social roles within their families and communities.

## **Economic Sustainability**

### **Sugested Actions for Economic Sustainabilty**

- Capacity building programs are good measures to ensure sustainability of value chain support strategies as beneficiaries are expected to **retain acquired skills and competences** and to apply them in their daily economic activities. Moreover, beneficiaries might transfer acquired knowledge and skills to their peers, driving a future positive multiplier effect.
- ✓ Encouraging beneficiary economic actors to formalise business partnerships with strategic national and international actors (i.e. trade companies) is a good strategy to increase their market reach both nationally and internationally. Such connections and agreements are most likely to endure with positive medium to long-term effects on their business.
- ✓ Having an officially registered Seal can be a good and long-term marketing strategy when promoting rural value chains. It gives continuity to the strategy efforts in terms of identity, visibility, and image-uplifting of local rural products. In addition, registering a Seal (and logo) may particularly benefit small-scale rural producers that are less likely to register their own label due to generally burdensome and costly procedures and requirements.
- ✓ Actively supporting rural economic actors to raise the quality of their production processes and helping them to **comply with national quality requirements and quality certifications**, is likely to ensure medium to long-term advantages for them as it improves the image and market positioning of their products as "quality products".

## **Institutional Sustainability**

### **Sugested Actions for Institutional Sustainabilty**

- ✓ Rural value chains often entail informal economic activities. Usually, rural economic actors face severe barriers and obstacles to access the formal economy. In context where formal registration can unlock advantages and benefits for rural economic actors, especially if vulnerable individuals or groups, accompanying them every step of the way can be a good support strategy. Finally, having more economic actors leaving the informal economy and accessing the formal market can benefit the whole cooperative sector, as it allows governments and public institutions to have a better understanding of the economic actors, which is a first useful step to improve the governing legal framework.
- ✓ Actively supporting rural economic actors to raise the quality of their production processes, helping them to comply with national quality requirements and to attain labels and certifications, is likely to ensure medium to long-term advantages for the community at large as it allows greater governmental control over the safety and quality of the local

products/services (especially concerning food and agriculture).

✓ Working with an integrated approach to uplift rural value chains by means of women economic empowerment enables a deep and well-rounded understanding of the barriers and challenges that targeted actors face, including those deriving from legislative gaps or which can be solved by an improvement of the legal framework. Through these types of interventions, the valuable information gathered on the ground with rural producers, coupled with established networks with key public and private actors working in the related sectors, gives you a relevant asset to be invested in policy work. Try to bring key actors at a common discussion table (i.e. a series of high-level conferences) in order to discuss opportunities and challenges of the sector you are targeting and to foster key actors' agreement on proper and concrete recommendations for corrective and incentive policy measures.

## **Environmental Sustainability**

#### **Sugested Actions for Environmental Sustainability**

✓ Actively supporting rural economic actors to raise the quality and sustainability of their production processes, as well as to help them comply with national quality requirements and to attain labels and certifications, is likely to ensure medium to long-term advantages for the community at large. The latter can entail more sustainable and environmental-friendly production and consumption practices and, ultimately, healthier communities and environments.

#### 5. Key contextual determinants

When trying to adapt the process we have explained to different local realities, it is essential to take into account some specific aspects or **contextual determinants**. These contextual determinants are **elements that may be useful to consider** in order to assess the preliminary feasibility of considering replicating the practice.

## 5.1. Social and political context



## **Key determinants**

 Minimum social conditions and norms allowing the support strategy to reach out to and engage with rural communities and actors, especially if targeting individuals from vulnerable social groups (i.e. possibility to have women participate to capacity building programs and to engage in/own economic activities).

- **Political support** from governmental actors, especially from local authorities, allowing to implement the support strategy.
- **Basic legal framework** governing the marketplace, the economic actors, and their activities (i.e. labour rights, prices and access to the marketplace, production processes, environmental protection, market competition, product quality standards, transparency and consumers' protection, exports).

#### 5.2. Resources



## Key determinants

- **Financial resources** coming from different international cooperation donors (Project funding).
- **Key expertise and skills** to oversee and provide the support strategy and activities (i.e. to provide capacity building programs, to deliver an effective awareness raising campaign, to engage with key stakeholders). Moreover, when dealing with vulnerable groups, proper experience, competences, sensibility, and cultural intelligence are needed to effectively engage and empower targeted actors.
- All key **economic hard infrastructures** needed by local rural economic actors to be operative, hence, to produce, purchase and exchange resources, products, and services (i.e. local fairs and stores, supermarkets, market exhibitions, transportation and export infrastructure, power grid, water supply network).
- All services needed by the rural economic actors to be operative in their market:
   i.e. commercial services, transport and export logistics, legal and technical
   support, research and development, advertising.

### 5.3. Actors and organisations



## **Key determinants**

- **Targeted local rural (vulnerable) economic actors** (i.e. consumer/producer cooperatives/groups, farmers, artisans).
- **Families and communities** of the targeted local rural (vulnerable) economic actors.
- **Key ministry-level actors and institutions** governing the targeted socialeconomic sectors, including key public institutions issuing national quality standards and quality certifications.
- **Key local governmental authorities** which can facilitate reaching out to and engaging targeted rural communities and vulnerable social groups.
- **Key national and international private sector actors** such as fair-trade and export agents, marketing firms, which can support rural actors' access to the local and international marketplace.
- Key national and international civil society organisations, such as NGOs, labour unions, producers/consumers' associations, which can facilitate reaching out to and engaging rural actors in the support activities, leverage needed resources and networks, and support their access to the local and international marketplace.
- **Consumers/clients** targeted by the awareness campaign and purchasing supported rural products.
- **Project staff** providing and overseeing the overall support strategy.



### 5.4. Networks



## **Key determinants**

• Strategic networks with key actors (i.e. civil society organisations, governmental and private sector actors, Universities) which, in turn, can leverage needed resources for the support strategy (i.e. premises for the capacity building programs, university laboratories for the products' quality analysis, governmental approvals/authorisations, logistics and moral support to involve targeted women, partnerships with private or NGO national and international trade organisations).



#### 6. Drawbacks and risks

Some of the main risks which may arise during the process, as well as some recommended strategies to mitigate them, are as follows:

## **6.1.** Dealing with legal compliance and complex bureaucracy

The strategy described above entails a first-hand support for rural producers to help them access the formal market. The project staff must accompany rural producers through the **complex formalisation process** to register their economic activities as legal entities (cooperatives), and, for some, to also register their own labels. This also involves making sure the rural products comply with in force quality **requirements and standards**, which is why they have to undergo long and numerous quality analysis and conformity tests to attain legal authorisations and quality certificates.

## Coping strategy: Collaborate with key governmental actors

The strategy described concretely supports the shift of rural value chains from an undervalued and informal economic sector to competitive formal national and international markets. This necessarily entails dealing and complying with **legal frameworks** which is often an unsurpassable barrier for most rural producers lacking the knowledge, the means, and the support to get by **complex and bureaucratic legal procedures** and requirements.

To successfully overcome this barrier, close and **strategic collaboration with governmental actors** is necessary. Since the very first planning phase of the strategy,

the project staff should reach out to key governmental ministry-level actors who will provide key technical advice and information to better understand the cooperative legal framework, the legal requirements and regulations concerning cooperative products' quality and hygiene standards as well as food seals and certifications procedures. Later, the project staff should work closely with key actors to actively support the quality screening and certification process of the supported rural products.

Finally, it is also key to include a **policy advocacy component** to actively push for a policy change in favour of more enabling legal frameworks for the cooperative sector and rural economic actors.

## 6.2. Export barriers for rural products

Considerable **obstacles may be encountered in enabling the export** of supported rural products, especially in an unstable or conflicting political context. Logistical difficulties in allowing rural products to get out of these areas may be reflected in **additional transport costs** that raise the prices of rural products, therefore hindering their competitive advantage.

# Coping strategy: Overcoming export barriers through strategic international partnerships

Logistical barriers to export can try to be overcome through **successful partnerships** with NGOs and organisations sympathetic to fair trade that allow rural products to be exported and placed on foreign markets, fair trade fairs and e-commerce platforms.

## **6.3.** Challenging patriarchal social norms

The strategy may encounter some challenges in trying to engage women beneficiaries in the activities (i.e. capacity building program sessions) due to **rooted patriarchal social norms** in force within the women's families and rural communities. They even may be reluctant to "allow" beneficiary women to leave their households to attend meetings with other male participants. **Unequal gender role distribution**, in fact, undermines the communities' understanding of the opportunity offered by our support strategy. As entrenched conservative social norms in many regions relegate women's role exclusively as caregivers within their household, the project staff will be required to make considerable efforts to make targeted rural communities understand the broader positive returns and social impact of promoting **women's economic empowerment** and supporting them in having a key role within rural value chains.

## Coping strategy: Working around patriarchal social norms

Dealing with rural communities where patriarchal social norms are widely rooted and collectively endured requires dedicated and **context-sensitive planning and activities**. Firstly, it is important to thoroughly understand the underlying gender social norms and gender role distribution within the targeted community and households. Then, it is key to plan the support activities (i.e. capacity building program) accordingly, therefore **considering all existing barriers** faced by beneficiaries and working around any possible cultural resistance, for example: hiring female trainers, having separate meetings for male and female participants, envisaging transportation services for women to avoid unsafe commuting to the training venue.

Extra efforts should be dedicated to raise the rural communities' awareness of the positive social and economic impact **potential of empowering women** and supporting them having a key role within the rural value chains.

## 6.4. Change-averse conservative rural mindset

The first-hand support of our strategy to improve the quality of the rural production process may face considerable resistance from targeted actors. Indeed they can be reluctant to change their **consolidated and rooted production agricultural techniques** and processes, such as the heavy use of chemicals. It can be a challenge for the project teams to convince beneficiaries to change such habits and mindset in favour of a safer and higher-quality agricultural production and understanding of the wider and longer-term advantages.

# Coping strategy: Patient and dedicated awareness-raising effort to overcome conservative rural mindset

Intervening to modify traditional production processes of rural value chains often entails **confronting consolidated mindset** which is hard to change. This holds particularly true when promoting healthier, environmental-friendly, and higher-quality production processes as returns are not immediately visible in the short run, nor exclusive for producers. It takes time and dedicated efforts to make rural communities understand the **wider and longer-term advantages** of today's changes, and that returns for the overall community entail advantages for the entire rural value chain and, ultimately, for producers themselves. In this sense, our support strategy needs

**patience and continuous and dedicated awareness-raising** actions to allow mindset to change.

#### 7. Case studies

RUWOMED. Supporting and connecting rural women's traditional know how in the Mediterranean through the promotion of fair-trade products



RUWOMED aims to improve income **generating opportunities for vulnerable women** by setting up and strengthening existing SMES and women cooperatives to become efficient, viable and sustainable economic entities, thus ensuring a decent source of income for them and their households.

In order to do so, the project implemented a **capacity building program** for the targeted entities, supported them with inputs and funding and actively promoted their products both locally and internationally (mainly in Spain) - namely by training them on fair trade principles and methods and by connecting them to fair trade networks.



While the project does not showcase any straightforward link between **women empowering activities** and **co-production** or social innovation, it goes without saying that empowering a key constituent of society can only be perceived as an enabling factor for a greater more efficient involvement of vulnerable communities (in this case, women) in influencing social policies and the way social services are provided. This is all the more true in **patriarchal societies** with conspicuous gender imbalance and legal frameworks that translate little or no gender justice, and where social needs are numerous due to very challenging economic and social realities (e.g. contexts where RUWOMED was implemented, i.e. Palestine and accessorily, Lebanon).

Also worth noting is that cooperatives are, per se, built on SSE principles and values. Hence strengthening women cooperatives is a constructive step towards building an SSE sphere which can gradually be backed up by the supportive legal and institutional framework that it needs in order to thrive.



Read RUWOMED article



Watch Andalucian Stories RUWOMED video

# The Consume Palestine Strategy & the Consume Palestine Seal



The **Consume Palestine Seal ("Uroq Seal")** was a **key result** of the **Consume Palestine strategy**, which has been put in practice since 2012 in Gaza and the West Bank mainly under four key cooperation projects, starting from the ENPI CMC Med RUWOMED project (2012-2016).

The Consume Palestine strategy can be considered a positive practice model of the Social and Solidarity Economy. The latter provides integrated support (with public and private support and resources) and comprehensive support (intervening in both supply and demand) to **promote rural value chains**, acting through the social and economic **empowerment of vulnerable social groups** (in the specific case of this experience, aimed at vulnerable women). As a central element, the strategy was based on close and continuous collaboration both with the public sector, in particular with key Palestinian government actors who preside over the cooperative sector (i.e.,

ministry-level actors, local authorities), and with other actors key multisector stakeholders, such as private actors (i.e., export and trade agents, trading companies), universities and civil society organizations (i.e., women's associations, fair trade NGOs).

The strategy, in addition to providing for a range of activities aimed at promoting rural women's cooperatives in fair trade, enabled the targeted Palestinian cooperatives to benefit from the use of the officially registered seal ("**Uroq Seal**") and logo that identify and promote the good quality of rural products "made in Palestine". The "Uroq Seal", released in October 2022, was the successful result of a long process carried out by Agricultural Development Association (PARC) and Asamblea de Cooperación Por la Paz (ACPP). Its **logo** was previously elaborated by means of an **award contest among university students** - in coherence with an awareness-raising perspective of the strategy. In addition to contributing to the promotion of the Palestinian rural products, the Seal also benefits **Palestinian small cooperatives and producers** that are less likely to register their own label due to burdensome and costly procedures and requirements. PARC will manage the Seal for the next 7 years, therefore deciding upon granting its use to local rural producers conditional to receiving support to ensure the good quality and branding of their products.

Additionally, the Strategy entailed a **first-hand support to guide cooperatives** in obtaining their legal registration and to ensure the compliancy of their products with national quality requirements. Cooperatives were also supported through the demanding process of attaining formal **registration of their own labels and certifications** (i.e., the "Safer Product Certificate", the organic certification, Fair Trade certification, or any other specific certification released by the Palestinian Standards Institute - PSI).

As for the demand side, the Strategy promoted the "Consume Palestine" awareness Campaigns. The latter positively contributed to enhance the image of Palestinian rural products as high-quality products and to raise consumers' awareness of the importance of purchasing Palestinian rural products as means to support and protect small rural producers, especially the women, and the overall local economy. Moreover, the Campaign successfully promoted the Consume Palestine Seal ("Uroq Seal") which is now considered the major tool to brand Palestinian quality rural.

More information: <u>Consume Palestina</u>

### 8. Useful resources

- [Watch] Movie: women's empowerment in Palestine. RUWOMED Supporting and connecting rural women's traditional know how in the Mediterranean through the promotion of fair trade products: <a href="http://www.enpicbcmed.eu/node/8736">http://www.enpicbcmed.eu/node/8736</a>
- [Read] Louise McArdle and Pete Thomas, <u>Fair enough? Women and Fair</u> Trade
- [Read] Kevin Morrell and Chanaka Jayawardhena, <u>Fair trade</u>, <u>ethical decision</u> <u>making and the narrative of gender difference</u>
- [Read] Julie Steinkopf, <u>Free Trade</u>, <u>Fair Trade and Gender Inequality in Less</u>
  <u>Developed Countries</u>
- [Read] United Nations Women, <u>Toolkit for the Economic Empowerment of</u>
  <u>Rural Women Entrepreneurs</u>
- [Read] Interreg Europe, <u>How to boost entrepreneurship in rural areas?</u>
- [Read] United Nations Industrial Development Organization, <u>A path out of poverty</u>. Developing rural and women entrepreneurship









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