

# COMMENTS FAIR FOR LIFE PROGRAMME MODULE 1 & 4 REVISION 2013

## COMMENTS TO 1. DRAFT APRIL 2013

with indication how comments were addressed in Consultation Draft July 2013

### Comments received from:

Name	Abr.	Organization	Date
Miquel Boix Tomas	MBT	Earthoil	07.05.13
Kerstin Lindgren	KL	Fair World Project	21.06.13 02.07.13
Ellen Reed	ERE	Lake Champlain Chocolates	21.05.13
Jan Bernhard	JB	Pro Natur; Member of Fair for Life stakeholder committee	20.06.13
Rob Hardy	RH	Member of Stakeholder committee	16.06.13
Daniela Hirsch	DH	IMO-CH	30.04.13
Musa Njoka	MUN	IMO	14.05.13
Kerry Hughes	KH	IMO-US	24.05.13
Laura Johnson	LJ	IMO-US	21.05.13
Henrich Neisskenwirth	HN	IMO-Chile	28.05.13
Alejandra Vergara	AV	IMO-Chile	28.05.13
Maria José Leiva	MJL	IMO-Chile	28.05.13
Thomais Anastasiades	TA	IMO-CH	22.05.13
Teresa Blanco	TB	IMO-CH	24.05.13
Arpana	Arpana	IMO India	24.05.13

Additionally several bigger topics of this Fair for Life revision we discussed in the Fair for Life Stakeholders advisory committee (SAC):

- Role of workers in the audit process, esp. present in opening and closing meeting, information before and after the audit
- Brand holder certification exemptions for retail own brands
- Buying from other fair trade schemes
- Complaints & allegation procedures.

Some detailed feedback received in group discussions or group emails as well as 1:1 discussions of certain issues are included in this summary. In these issues the Stakeholder committee recommendation is indicated in the column how the comments were addressed.

### GENERAL COMMENTS

Topic: Terminology	Comment – Details	Who	Adressed
General	As there are both female and male auditors, producers, workers, operators, etc. a general personal article such as “they” should be used or the form “s/he” instead of only “he”.	TA	Will be done in final text editing

## 1 LABELLING AND CONTROL

Module 1	Comment – Details	Who	Adressed in 07/13
1.1.1	Agree with asterix on fair trade ingredients, this is equivalent to what other organizations do.	ERE	No change needed
1.1.1 product labelling (percentage disclosure)	Requiring the percentage (or minimum percentage) of total fair trade ingredients is a great addition. However, we recommend requiring it be listed on the front panel along with Fair for Life logo (if used) rather than on back panel.	KL	Not yet adressed,as received only on 2.7 → to be discussed in SAC; not done in any other label
1.1.1	In the Table B presenting Labelling requirements “specified Fair for Life Fair Trade Ingredients”, I think is better to only refer to Fair Trade ingredients (since this category refers to all FT ingredients, not only FFL)	TB	Discussed in committee: Labelling category and permitted labelling changed to “made with Fair Trade XXX”
1.1.2 General requirements (6) and 1.1.3 (0.1.5)	The operation is aware of Fair for Life certification requirements and has a basic understanding of it performance against the standard. This is repeated in the two control points.	MUN	This is correct, since this same CP is necessary for Producers (1.1.2) and for Handling operations (1.1.3)
Module 1, 1.1.2, Table “General requirements”, point 2	It should be allowed that there is no producer or worker present during the opening and closing meetings if there is no interest from their parts. What is to be done in cases in which there are more than one hired labour operations that don’t have any relation with one another and thus employees cannot discuss which worker will attend the meetings?	TA	Role of workers in Audit process discussed in depth in FFL stakeholder committee. - Presence in opening meetings is very important. Is now an M from year 2.
1.1.2	Companies need guidance on choosing a worker representative, and also maybe a year or two in order to comply with this	KH	- Separate CP about exit meeting - more information about types representatives included in 1.3
1.1.2 d. no. 2 Hired Labour Producer Operators	“The opening and closing meeting includes a producer and/or worker representative.” Is there guidance for organizations to determine who the employees/workers representative prior to the audit? See below.	LJ	
1.1.2 d)	Case of fresh, fast moving fruit is very tricky to manage and you have to allow some flexibility. E.g. second grade products are also sold at auctions and then later at market stalls etc. you can find some still labelled bananas - and for these products no premium will have been paid. Still, it is very important to ensure that for any substantial amount of products sold as FFL – the correct premium has indeed been paid to the producers.	SAC	Added guidance on perishable product labelling
1.1.3	Agreed, especially since FFL is the only FT certification to require such previously strict criteria on this	KH	Comment noted.
1.1.3.2	Are buyers allowed to purchase FT products from other certification schemes accepted as equivalent? There is no reference to this possibility under section 1.1.3.2. I suggest to state it.	TB	Now mentioned in 1.1.3.2 guidance text.
1.1.3.2 Compradores y agentes comerciales de Comercio justo	Como afecta la frase agregada en el segundo párrafo de la letra c) “(o hasta el consumidor final, en el caso de compradores que son también propietarios de marca). “, no entendemos bien la diferencia con lo anterior. <i>(explanation is requested about the phrase “(or</i>	HN, AV	Wording improved. The case of fresh fruit is indeed tricky to address in FFL standards, and the case is mentioned specifically in chapter 1.1.3.2 now.

	<p><i>to consumers – in this case the company is buyer and brandholder)</i>”.</p> <p>Favor, tener presente que en el negocio de la fruta, por ejemplo, paltas manzanas, kiwis, arándanos, etc. Se considera que es “el productor” quien vende al consumidor final a través intermediarios que cobran sus servicios por su gestión, entonces no siempre está relacionado a una marca. La fruta no se compra por precios establecidos en huertos, se liquida (paga) medio año más tarde después de la venta</p>		
1.1.3.2 First buyers of FFL products	<p>Exemption for very short commercial chains (producers practically selling their products to the retailers):</p> <p>The new clause seems justified and going into the right direction. It makes sense to allow producers to label products in its own name to various buyers without them needing to become certified, especially fresh fruit or handicrafts.</p> <p>If the products are labelled not in producers name, then agree with proposal that retail unit (only the purchase part of the business, not necessarily all retail outlets) need to become certified as fair trade buyers – just as any other first buyers as they need to comply with all the requirements of paying a fair price, premium, support of producers, the trade relationship is key in Fair Trade.</p>	SAC	Exemption and more guidance added in revision of 1.1.3.2 and 1.1.3.3
1.1.3.3 Propietarios de marca Fair for Life – Responsabilidad social y Comercio justo, letra e)	<p>La idea queda clara, pero sentimos que para los casos de productores de fruta fresca FFL, no existe transparencia de los precios pagados desde el campo al consumidor final. Dentro de esta figura el que se ve más afectado es el productor, porque es quien menos margina.</p> <p><i>The idea is clear, but we fear the exception would be unfair in case of fresh fruit, because often there is no transparency between the prices paid to producers and the final consumer prices- in this setting the producer is most affected because he/she might get lower margins.</i></p>	HN, AV, MJL	Wording clarified around the specific case of fresh fruit sales. As now also included explicitly in 1.1.3.2 at the very least the first buyer from producer operations (even if this is the retailer) must become a FFL handler, so that the issue of fair pricing can indeed be verified.
1.1.3.3. private labels	<p>The required information on private label bars and accompanying policies are adequate as a bare minimum for transparency in this case.</p> <p>There should be additional information available on a website or upon request about which private label retailers and which products are under agreement with certified handlers.</p>	KL	Received only on 2.7.13; → to be discussed in SAC. <i>Some of the information may be commercially sensitive and handler may not be permitted/willing to disclose.</i>
1.1.3.3 Brand holders and 1.1.3.4 Intermediate handlers	<p>Both operators receive some benefits from the FFL certification (good name, etc). Why is there no obligation regarding Fair prices and Premium for them?</p>	TB	No changes. <i>For brand holders requirements regarding fair pricing apply, as for all FFL handlers. The handling certification requirements reflect a compromise between a serious fair trade certification approach and the need to keep costs down along chain of custody so that main benefits can reach producers</i>
1.1.3.3	As already discussed on Skype, care must be	RH	This issue was briefly

	taken that, especially multiple retailers do not allude to being FFL certified, and that it is only the product.		discussed in SAC and the present wording reviewed
1.1.3.3	Proposal of Draft 04/13 cannot work – a fair for life handler ma have XX advertisement campaigns each week with various retailers and the CB cannot handle approval of every add and should not interfere in the handler – retailer relationship.	SAC	Proposal to change to : FFL handler to monitor the retailer’s advertisement campaigns for their Fair for Life products
1.1.3.4, point j)	The following statement under point j: <i>If a processor buys the products on behalf of the Fair for Life handler (or producer operation) and sells them to the Fair for Life handler the processor would count as intermediate trader.</i> Seems to somehow contradict the basic definition of intermediate trader under point h) stating that they don’t purchase from producers: <i>(not directly from Fair Trade producers’ operations)</i> as explained under this same section.	TB	Sentence revised slightly to be clearer.
1.1.4	Minimum logo size should be smaller than 15mm. This size is almost 2 times larger than other certification bodies.	ERE	Will be changed to 10 mm minimum size in FFL labelling guidelines
1.3.1	Agreed. However, I wonder take makes sense that there might be some anonymous nature which would be better so that people couldn’t look at website and figure out which producers must be selling to which handlers/manufacturers	KH	No change <i>So far no complaints from operation about this, and transparency of FFL is much appreciated</i>
1.3.1.4 Costs and services	We believe the proposed amendment should be deleted. Interaction during the year shouldn’t be charged otherwise the costs for certification become too high, specially for companies with a big range of products and suppliers, where changes occur quite often.	MBT	Wording changed slightly for clarification: “ additional services requested by the client during the year (e.g..) will be charged”
1.3.3	A check list document provided by IMO around documents that need to be completed before audit and timing would be helpful.	ERE	No changes in text, but noted suggestion for improvement
1.3.4	Module states biannual which is twice a year, but summary state every two years. Agree with every two years after 4 audits of good performance.	ERE	Changed to correct term „biennial“
1.3.4.1 Frequency of audits	We believe that the proposed amendment ( “ in some cases the audit may be semi-announced ( the operation is made aware that the audit will take place within a certain period, but will not know the exact date “ ) should be removed. In our case ( Earthoil Kenya ) several people are involved in the Fair for Life activities of the company and not all of them are based in Kenya. Myself, for example, as the Special projects Director, I need to be present during the audit as I coordinate many of the ICS activities. We also have people in our purchasing team that even though they are based in Europe, they are involved directly with the purchasing from Fair Trade suppliers in Africa. You might require to interview them by skype or telefon calls and they need to know the exact dates to make sure	MBT	After discussion in SAC and standard committee the option for semi-announced audits was taken out. Regular audit is announced and there is the option for unannounced

	they will be available.		
Module 1, 1.3.4.1, paragraph 3	Either delete it completely or add restrictions such as “only in cases in which the costs for annual physical audit are proportionally much higher than the profit of the operation due to its certification e.g. if there is only one interested operation in a remote country with no local inspectors and there is no possibility to divide travel costs between operations. In case of armed conflicts in a specific region or country the CB may decide to skip an annual audit.”	TA	Not changed: <i>Unanimous decision of FFL Standards committee, and supported by FFL Stakeholder advisory committee to extend audit frequency to 2 years for well performing operations.</i>
1.3.4.2	Where worker representatives must be present in the opening and closing meetings. Especially in case of group of farmers. In my experience, even if the management is willing to have a worker in such meetings (atleast to conform to the standards), the workers themselves may feel uncomfortable, leading to no positive outcome.	Arpana	Role of workers in Audit process discussed in depth in FFL stakeholder committee: Presence in opening meetings is particularly important. And they should be informed about the audit outcome.
1.3.4.2 worker representatives in auditing process	Positive addition to require worker representation to be present for opening meeting and auditing. We recommend that if there is no established worker representative FFL explicitly work with a local labor group to ensure neutral representation and worker comfort.	KL	SAC had very lengthy discussions on presence of workers, present proposal is that auditor if there are no worker representation structures, the auditor can invite individual workers to opening meeting (further discussion in August 2013)
1.3.4.2 worker confidentiality during auditing	Worker confidentiality during auditing process seems well established, but worker anonymity is not as well preserved. FFL needs more mechanisms to ensure that managers do not know which workers are interviewed that they cannot/do not assume which workers may have raised concerns if there are problems reported in auditing reports.	KL	Received 2.7.13 → shall still be discussed in SAC. It is not feasible to interview workers without someone in the company being aware of at least some of the interviewed ones (for logistical reasons). The CB has to ensure careful presentation of the findings in order to avoid individual identification of the source of information gathered, and supervision of consequences for them in follow up audits.
1.3.4.2	<ul style="list-style-type: none"> <li>At the moment the text reads as though if there “no Union → non conformity”. It’s important that FFL accepts all organisation forms of representation that the target beneficiaries (producers, workers) chose as their best working mode of representation, which will vary greatly sometimes even according to regions., e.g. in case of workers FFL should accept unions, but also workers</li> </ul>	JB	In line with discussions in stakeholder advisory committee, the text was adjusted and now refers to Module 2 / 3 for more guidance.  Section on exit meeting was changed accord-

	<p>committees or workers associations.</p> <ul style="list-style-type: none"> <li>• Presence of target beneficiaries' representatives is particularly important during opening meeting, they should always be present there. Premium summary of past year should be discussed during the opening meeting, to ensure that the target beneficiaries keep a good oversight on premium flow, and if discussed in opening meeting (money received, main activities) it is ensured that they get the same information as the auditor</li> <li>• Presence during the closing meeting is good, but also bears certain risks and is slightly less important. The key aspect is that the target groups MUST be informed on the outcome of the audit and the issues that the company is working on to further improve. If no representatives are present during exit meeting, then this must be done by the company management after the audit and can be followed up in the next audit.</li> </ul>		ingly.
1.3.4.2	Setting up a voting system (to elect representatives) is possible in some situations. In others it is prudent to use an existing system, that works within the local structure and conditions. To go outside of the norm, could/can create problems.	RH	Text revised to refer more explicitly to all kind of representatives in line with Module 2/3
1.3.4.2 no. 1 Hired Labour for Handler Operators	Opening meeting: <i>"In case of Hired Labour audits the Worker representatives (and/or union representatives) shall be present;."</i> Regarding companies that do not have a union and are new to this requirement (e.g. N. America), if there is no union how are the workers representative determined – by employer or workers? I suggest there be some sort of guidance from the CB for companies and workers to make this transparent, consistent and democratic for all audits/auditors. Also if no union exists, I suggest requesting more than one employee representative if there is tension b/w management and workers for workers to hear two perspectives from peers.	LJ	In footnote guidance was added how to deal with the situation of no workers representatives
1.3.4.2	The revision of documents related to the management of the group has been eliminated. I think it is necessary / worthy to keep it, since it referred to important issues that can only be verified by checking the corresponding documents.	TB	Original paragraph on checking the group's organisational documentation was included
1.3.6.3 Annual audit and continuation of certification	While we are happy for the CB to do additional unannounced investigations when there is risk/doubt that the Fair for Life standards have been breached, as said above, we believe the annual audit should be announced and planned together, since there are several areas and people involved who need to plan in advance.	MBT	Added "additional" to "unannounced audits" to make it clearer that the present proposal is exactly as MBT thinks it should be.
Module 1, 1.3.7, complaint process diagram, external process	Once a complaint is on the 4 <sup>th</sup> stage (Bio-Foundation) and a public statement is not necessary, why should it be taken onto the 5 <sup>th</sup> stage? Relevant action can be taken by the Bio-Foundation irrelevant of whether a public state-	TA	No change. <i>A complaint or allegation can be taken up to stage 5 if the case is material and the complainant does not accept the resolution</i>

	ment is necessary or not. A complaint should be taken to the next process stage if the Bio-Foundation is not able to resolve it or the complainant is not satisfied with the results.		<i>proposed in stage 4.</i>
Module 1, 1.3.7, 7 <sup>th</sup> paragraph	General: as complaints are to be used to further develop FFL, CBs should forward complaints to the Bio-Foundation for consideration.	TA	Internal procedure needed

Annex 1	Comment – Details	Who	Adressed

Annex 2 Equivalent schemes	Comment – Details	Who	Adressed

Annex 3 Composition Food	Comment – Details	Who	Adressed
Anexo 3.1 letra b)	<p><i>“En caso de que sea imprescindible hacer mezclas (blend) y no exista disponibilidad del producto en calidad de Comercio justo, se puede solicitar una autorización de carácter excepcional (ver sección c)”</i></p> <p>Debiera decir ...”en la misma calidad y condición de comercio justo...”</p> <p>Podría ser que efectivamente exista disponibilidad del ingredientes certificados CJ pero que éstos no tengan la calidad necesaria para poder integrar el producto.</p>	HN, AV, MJL	Is a good proposal for the Spanish version.
Module 1, Annex 3.1, c) iv) 1 <sup>st</sup> paragraph	Exceptions should be granted for only one year.	TA	No changes <i>Agreed time frame for this exception was agreed to 3 years, as this is for the products which are between 50 and 80%!</i>

## 2 MODULE 4: HANDLERS

Module 4	Comment – Details	Who	Adressed
4.1.3	MOU specifications I think are too strict and don't make sense for every type of product. Perhaps for Handlers buying from FLO trader which has only single-ingredient products we can just require the MOU to say they are buying under FLO conditions and maintaining separation and tracability.	KH	Requirements for buying from other schemes were discussed in SAC and general approach confirmed, some minor changes
4.1.3 Traceability CP 8	The new MoU requirements were put in effect early 2013 and have changed considerably in the new guidelines. It sets a high bar in traceability at every stage of the supply chain and without a trial period offered, the new requirement can be a shock to many handlers and difficult to meet given the complexity of	LJ	Requirements for buying from other schemes were discussed in SAC and general approach confirmed,

	<p>supply-chains.</p> <p>I believe it is only fair to offer a trial period of the MoU (first audit since implementation) so companies can test out the new requirements and allow time to find workable solutions that uphold a high standard but works in the wide range of products and supply-chains.</p> <p>The transparency is good but more than any standard calls for and I ask if this has exceeded what a trade relationship can ask for? Without Handlers input during a trial period, this could ultimately lessen the appeal of Fair for Life certification.</p>		<p>some minor changes.</p> <p>MoUs are now compulsory only from Year 2 onwards</p>
4.1.3 Traceability	<p>Check if certification is up-to-date is very important. This is a question that should be from the beginning on the table, not afterwards as often happens.</p> <p>Need to check also that the products sold are under the scope of e.g. FLO certification, and if FT premium has been paid.</p> <p>Some visibility down to producers and that both trade partners agree on their fair trade transactions. It is a high improvement with the differentiation between the different traders, the FLO and the FFL ones.</p>	SAC	Rules were reviewed and only minor changes proposed
4.1.3	I support the current FFL approach that supply chains must be transparent and think its also in the interest of producers, as it encourages companies to work with a defined group of suppliers more long term just as intended by Fair trade.	JB	
4.1.3 g & CP 8 Composition/recipes	<p>If a FFL handler is not the owner of the recipe composition and purchases proprietary multi-ingredient blends/products from vendors we should offer options to the Handler, such as in CP 8 that the communication can be directly between vendor and CB, similar to the Handler Guideline for MoU proprietary information.</p> <p>Also inform potential clients of composition requirement if the recipe is owned by vendor or supplier.</p>	LJ	<i>This can be dealt with on guidance level, rather than in the FFL Standard.</i>

### 3 COMPLAINT PROCEDURE

Appeals... procedure	Comment – Details	Who	Adressed
IMO FFL Complaint procedure, General	This is quite comprehensive but not easily accessible. Recommend a simple and accessible summary with contact information be available on Fair for Life website for public and handed out during auditing.	KL	Revised / simplified version available
IMO FFL Complaint procedure, General	Detailed feedback from IMO BR on a separated letter from 28.04.13	DS	Revision of procedures to be better structured and readable
IMO FFL Complaint procedure, General	<p>The new procedure is too detailed, and it doesn't seem to be helpful to solve the problem with dealing with complaints. It could even implicate legal problems. Important element to consider by reviewing it:</p> <ul style="list-style-type: none"> <li>- Role of certification body to certify, not to arbitrate</li> </ul>	SAC	Procedures simplified in line with the suggestions



	<p>between management and the workers</p> <ul style="list-style-type: none"> <li>- Procedure should improve transparency</li> <li>- Try to include the external eye sooner in the escalation process, and to open the entire system to more external scrutiny</li> <li>- Try to improve the public relations politic, how to address the audience with technical contents in order that the have the better understanding on the issue</li> <li>- Try to develop a couple of risk – based case studies as “ideal handling of serious allegations”</li> <li>- Review the deadlines (too rigid)</li> </ul>		
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Bio-Foundation, 5.7.2013