



FAIR FOR LIFE

Certification standard for Fair Trade
and responsible supply-chains

Version May 2022

Table of Contents

INTRODUCTION.....	6
Fair for Life’s Vision	6
Fair for Life’s Mission	6
Fair for Life’s Objectives.....	6
Scope and Supervision Systems	7
Reference to Other Standards	9
Organization of this Standard	10
ELIGIBLE VALUES AND STRATEGIES	12
Eligibility of the Applicant	13
Eligibility of the Fair Trade Project	14
Position with Regards to Organic Farming	16
Corporate Commitment.....	16
1. FAIR TRADE POLICY MANAGEMENT	18
1.1. FAIR TRADE POLICY FOR PRODUCER OPERATIONS	19
1.2. FAIR TRADE POLICY FOR SUPPLY-CHAIN PARTNERS.....	22
2. SOCIAL RESPONSIBILITY	23
2.0. CONSIDERATION OF CONTEXT AND OF OTHER SOCIAL CERTIFICATIONS	24
2.1. FORCED LABOUR	25
2.2. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING.....	25
2.3. CHILD LABOUR AND PROTECTION OF YOUNG WORKERS.....	27
2.4. EQUAL TREATMENT AND OPPORTUNITIES	28
2.5. DISCIPLINARY PRACTICES.....	29
2.6. HEALTH AND SAFETY.....	30
2.7. EMPLOYMENT CONTRACTS AND CONDITIONS	33
2.8. WAGES	34
2.9. SOCIAL SECURITY AND SOCIAL BENEFITS	36
2.10. WORKING HOURS AND PAID LEAVES	37
2.11. REGULAR EMPLOYMENT.....	39
2.12. HUMAN RESOURCES DEVELOPMENT.....	40
3. ENVIRONMENTAL RESPONSIBILITY	41
3.0. CONSIDERATION OF CONTEXT AND OF OTHER ENVIRONMENTAL CERTIFICATIONS	42
3.1. WATER CONSERVATION	43
3.2. ENERGY MANAGEMENT AND CLIMATE CHANGE	43
3.3. GASEOUS AND LIQUID WASTE MANAGEMENT	45
3.4. WASTE MANAGEMENT	46
3.5. ECOSYSTEM MANAGEMENT, BIODIVERSITY AND WILDLIFE	47
3.6. PACKAGING	49
3.7. ADDITIONAL REQUIREMENTS FOR CONVENTIONAL OPERATIONS	50
4. LOCAL IMPACT	58
4.1. LEGITIMATE USE RIGHTS.....	59
4.2. USE OF BIODIVERSITY AND TRADITIONAL KNOWLEDGE	59
4.3. CONTRIBUTIONS TO LOCAL DEVELOPMENT	60
5. FAIR TRADE IN SUPPLY-CHAIN MANAGEMENT	61
5.1. LONG-TERM COOPERATION	62
5.2. CONTRACTS AND VOLUMES	63
5.3. REGULAR COMMUNICATION AND EXCHANGES	66
5.4. PRODUCT QUALITY	67
5.5. ACCESS TO FINANCE	67
5.6. TIMELY AND RELIABLE PAYMENT	69
5.7. PRICING.....	69
5.8. FAIR TRADE DEVELOPMENT FUND.....	73
5.9. SHARED ADDED-VALUE INSIDE THE SUPPLY-CHAIN	74

5.10. ADDITIONAL REQUIREMENTS FOR GROUPS OF PROCESSORS AND ARTISANS	75
6. EMPOWERMENT AND CAPACITY-BUILDING.....	76
6.1. REPRESENTATION OF PRODUCERS' INTERESTS IN THE GROUP.....	77
6.2. SUPPORTING THE LEAST ADVANTAGED IN THE GROUP	78
6.3. DIVERSIFICATION AND AUTONOMY	79
6.4. ADMINISTRATION AND USE OF THE FAIR TRADE FUND.....	81
7. RESPECT FOR THE CONSUMER	84
7.1. MARKETING AND ADVERTISING TECHNIQUES	85
7.2. TRACEABILITY.....	85
7.3. MINIMUM THRESHOLDS OF CERTIFIED INGREDIENTS	87
7.4. TRANSPARENCY REGARDING FAIR TRADE SUPPLY-CHAIN AND IMPACTS	88
7.5. EDUCATION AND AWARENESS ABOUT FAIR TRADE	89
7.6. CHARACTERISTICS OF NON-CERTIFIED INGREDIENTS	90
8. MANAGING CERTIFICATION AND PERFORMANCE	91
8.1. CONDITIONS OF EXTERNAL AUDITS.....	92
8.2. FOLLOW-UP OF CERTIFICATION AND PERFORMANCE	93
8.3. INTERNAL CONTROL SYSTEM	94
ANNEX I: COMPOSITION RULES	96
RULE 1: MINIMUM THRESHOLDS OF FAIR TRADE INGREDIENTS	96
RULE 2: "NO BLENDING" RULE	96
RULE 3: INGREDIENTS THAT MUST BE FAIR-TRADE	97
EXCEPTIONS TO RULES 2 AND 3.....	97
ANNEX II: LABELLING RULES.....	98
GENERAL RULES	98
CONDENSED VERSIONS	99
"INGREDIENT STATEMENT ONLY" CASE	100
OTHER LANGUAGES	100
ANNEX III: COMMUNICATION RULES	101
ALL OPERATIONS	101
PRODUCER OPERATIONS.....	101
SPECIAL CASES AND RESTRICTIONS	101
ANNEX IV: RECOGNITION OF OTHER SCHEMES	103
RECOGNIZED SCHEMES	103
RECOGNITION PROCEDURE	103
ANNEX V: EXTRAORDINARY TEMPORARY EXCEPTIONS	105
EXTRAORDINARY DISRUPTIONS IN SUPPLY-CHAINS	105
EXCEPTIONS PHYSICAL TRACEABILITY	105
ANNEX VI: FAIR TRADE FUND AMOUNT EXCEPTIONS	107
ANNEX VII: EXEMPTION FROM SELECTED (SUB-) CHAPTERS	109
TERMS AND DEFINITIONS	112
ACRONYMS AND ABBREVIATIONS	117

Prologue

The standard is published on www.fairforlife.org

It is accompanied by two documents:

- The Fair for Life certification process
- The Fair for Life and For Life Procedure for Scheme revision

The original version and the reference version for this document is the English version.

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In March 2016, the Fair for Life Standard began the process of a particularly important revision. Different stakeholders (certified operations, fair trade promotion organizations, consumer associations, etc.) were consulted through various modalities and stages, including through the Fair for Life and For Life multi-stakeholder Scheme Committee. The whole revision process resulted in the publication of the February 2017 version.

One of the major outputs of this revision was that the “Fair for Life Social and Fair Trade Certification Programme” is were divided into two separate standards:

- 1) The For Life Standard, for “Corporate Social Responsibility” certification;
- 2) The Fair for Life Standard, for “Fair Trade and Responsible supply-chains” certification.

The two standards share common criteria, related to social and environmental responsibility.

Note that the links between the Fair for Life and For Life schemes have been identified using the below colour code on the first row of each table of criteria:

- *Black font: Common to both schemes;*
- *Orange font: Specific to Fair for Life;*
- *Green font: Common to both schemes, but applicable to different types of operations according to the scheme.*

The Fair for Life Scheme Committee is invited to discuss about modifications proposed by the standard holder in order to improve the applicability, significance and practicality of the standard. The most recent consultation in this context was held in October 2021 and resulted in the publication of this version of the Fair for Life Standard.

It is valid from 1st June 2022 and supersedes all previous versions. There will be transition periods for complying with the new or modified requirements as defined by the Certification Body.

Note: Editorial changes may be made to this document at any time without further notice, as long as these are limited to non-substantive changes (e.g. improving or clarifying language, correcting spelling errors or updating references) and do not require a change of practice by certified operations.

INTRODUCTION

Fair for Life's Vision

A world where trade, through ethical, fair and respectful partnerships, is a driving force for positive and sustainable change benefiting people and their environment.

Producers and workers who are at a particular disadvantage – no matter the country where they work – are actors of their own development, together deciding on meaningful projects adapted to their local situation. Thanks to long-term partnerships, they are ensured fair remunerations and have a better overview of the opportunities for their future development.

Organizations and companies are committed to building respectful relationships, ensuring fair working conditions and respecting the environment within and along their supply-chains.

Consumers are enabled to make informed purchase decisions, in line with their expectations.

Fair for Life's Mission

Provide a framework within which each actor can engage to make fair trade principles a reality in its supply-chain by:

- 1) Defining clear requirements applying to each actor in a supply-chain in order to characterize fair trade and responsible supply-chains;
- 2) Guaranteeing the sound and efficient control of these requirements, all while offering a flexible approach capable of adapting to local contexts, cultures and traditions;
- 3) Ensuring that consumers receive truthful information about these requirements and the efforts made to implement them.

Fair for Life's Objectives

- 1) Guarantee that producers and workers, in more and less economically developed countries, work for a fair wage and under good and respectful conditions, in a sustainable environment;
- 2) Provide a framework by which fair trade projects can be monitored, in order to improve their impact over time;
- 3) Provide a framework by which companies can develop long term partnerships following fair trade principles;
- 4) Encourage organizations and companies to adopt a coherent and pragmatic approach to social and environmental progress and responsibility;
- 5) Encourage organizations and companies to provide clear and transparent communication and to guarantee full physical traceability from the origin of production to the consumer;
- 6) Enable a large range of fair trade products to be available to consumers; make them aware of their influence as responsible consumers, and positively influence their purchasing decisions.

Scope and Supervision Systems

› CONCERNED SECTORS AND PRODUCTS

The Fair for Life Standard allows certification of products.

Applicants must be involved in production, processing or trade of products derived from either:

- Natural raw materials (crops, wild plants, livestock, beekeeping, aquaculture, sea salt, etc.) except those from mining or those corresponding to Threatened or Endangered species.
- Materials used in handicraft (the used materials may vary, but can never come from Threatened or Endangered species; non-recycled metallic materials; leather treated with harmful products; parts of archaeological or historical monuments).

The following product groups, originating from the abovementioned materials, can be certified under the scheme:

1. Food products
2. Cosmetic and beauty products
3. Textiles and leather products
4. Artisanal products
5. Household goods, such as detergents and home perfumes

Note that restrictions apply to certain specific sectors / industries:

- *Aquaculture*
- *Fisheries*
- *Industrial textile and leather*
- *Household goods or sectors related to product groups that are not listed above*

For such sectors / industries, certifications according to recognized environmental standards are required:

SECTOR / INDUSTRY	CERTIFICATION REQUESTED
Aquaculture production	Organic Certificate or Global GAP Aquaculture Certificate or ASC Certificate
Fisheries	MSC Certificate
Industrial textile and leather processing (as opposed to artisanal textile or leather)	<p>OEKO-TEX 100 or OEKO-TEX LEATHER STANDARD (class II as a minimum)</p> <p>This is not required in case a sector relevant Certificate that confirms the safety of the product to consumers is available:</p> <ul style="list-style-type: none"> - GOTS certificate - ERTS (Level 2) certificate - Naturtextil IVN Best - Naturleder IVN
Household goods or activities related to product groups that are not listed in the Standard	Specific certifications and pre-requisites set by the CB

› ELIGIBILITY CHECK

A specific chapter in the standard defines additional pre-requisites that need to be respected by the companies / organizations prior to their application. These conditions are linked to their core values and strategies. Please refer to Section “Eligible Values and Strategies”.

› WHO MUST BE CERTIFIED?

Two supervision systems (certification and registration) co-exist in the Fair for Life Scheme, depending on the position and role of the company / organization in the supply-chain. As a general rule:

- Key operations must be **certified**, i.e. subject to regular physical audits: Producer operations; Fair Trade Partners; Brand Holders
- Non-key operations must be **registered**, i.e. exempted from regular physical audits: Conveyors; Intermediate traders; Subcontractors

Depending on risk / activity levels, and in certain specific cases, some adjustments of this general rule can be made. The ‘*Fair for Life Certification Process*’ document outlines each supervision system, its implications in terms of control modalities, as well as possible exemptions.

› EXEMPTIONS TO THE AUDIT SCOPE

In two specific situations, the Operation can request to be exempted from Chapter 2 (Social Responsibility) and/or 3 (Environmental Responsibility):

CASE 1: Other certifications considered

The Operation provides proof that labour practices and/or environmental practices have been externally verified for all sites under the scope of certification.

CASE 2: Small-scale trader

The operation does not have any processing or production activities, and hires less than the equivalent of 5 full-time employees.

For more details and a list of accepted proofs, see **Annex VII**.

Reference to Other Standards

Requirements regarding fundamental rights for workers are based on the ILO core conventions.

The Standard adopts a recognition approach towards other existing fair trade certification schemes, wherever the latter cover the same overall principles and the control measures applied are comparable (see Annex IV).

Moreover, the Standard accepts various other standards as adequate proof of social and environmental good practices (see Annex VII).

Reference is made to the following standards and regulatory frameworks:

- ILO international conventions
- FLO Fairtrade standards
- Fair Trade USA standards
- Fair Wild standards
- Naturland Fair standards
- Small Producers' Symbol standard (SPP)
- Evaluation systems based on ISO 26000 guidelines
- SA 8000 standards
- ETI Base Codes
- Rainforest Alliance Sustainable Agriculture Standards
- UTZ standard
- National and European organic regulations
- GLOBALGAP
- Global Organic Textile Standard (GOTS)
- Cosmetic Organic Standard (COSMOS)
- Aquaculture Stewardship Council Standards (ASC)
- Marine Stewardship Council Standards (MSC)
- OEKO-TEX 100 Standard and OEKO-TEX LEATHER Standard
- Textile Exchange Standards (Global Recycling Standard - GRS, Responsible Alpaca Standard - RAS, Responsible Down Standard - RDS, Responsible Mohair Standard - RAS, Responsible Alpaca Standard - RAS)
- Forest Stewardship Council (FSC)
- Naturtextil IVN Best and Naturleder IVN Standards
- Manufacturing Restricted Substances List by the ZDHC Foundation (ZDHC MRSL)

Organization of this Standard

› CHAPTERS

After a specific section related to the eligibility check, the standard is divided into 8 chapters presenting the standard requirements:

- 1) Fair Trade Policy Management
- 2) Social Responsibility
- 3) Environmental Responsibility
- 4) Local Impact
- 5) Fair Trade in Supply-Chain Management
- 6) Empowerment and Capacity Building
- 7) Respect for the Consumer
- 8) Managing Certification and Performance

› SUB-CHAPTERS

Each chapter is organized into sub-chapters. Each sub-chapter:

- corresponds to one standard principle
- contains the criteria against which an operation will be assessed during the Fair for Life audit as the basis for certification.

› REQUIREMENTS AND PERFORMANCE

The criteria are organized in the following way:

- 1) Different levels of criteria

KO	If not met, these criteria jeopardize the certificate with immediate effect.
MUST	If not met, rapid correction measures are expected. According to the criteria, MUST requirements must be met from Year 0 (i.e. before the initial audit), 1 (i.e. before first certification), 2, 3 or 4.
BONUS	These criteria are optional but enable the Operation to achieve better performance

- 2) Scores per criteria

Each criterion describes the norm for good practice (rating = 2), and is evaluated on a scale that can range from 0 to 4:

0	Very poor performance / not compliant at all
1	Not yet sufficient but already positive developments towards the norm for good practice
2	Defined as the norm for good practice
3	Voluntary performance higher than norm, beyond the norm for good practice
4	Exceptionally high performance; outstanding, far beyond the norm for good practice

Detailed information to understand the certification requirements and the rating system are included in the separate document, *“Fair for Life Certification Process”*.

› CONSIDERATION OF THE SIZE OF THE ENTITIES

Depending on the size of the entities considered, the criteria may vary. One entity is defined as a separate physical or legal person (e.g. a farmer, a processing company, a trading company, etc.). Therefore, it can be composed of more than one site (e.g. two factories belonging to the same company, two plots belonging to the same farmer, etc.). In such cases, all sites composing the entity are aggregated to assess the size of the entity. See ELIG-10 for details and possible exemptions.

Three size categories are used:

	Number of permanent workers hired	Total number of workers hired anytime (permanent + temporary workers)
Small-sized entities (S)	Less than 5 workers	Less than 25 workers
Medium-sized entities (M)	Less than 25 workers	Less than 80 workers
Large-sized entities (L)	All other situations	

In exceptional circumstances, other definitions can be introduced, based on detailed justification and after confirmation during initial audit. In such cases, other factors than the abovementioned could be considered, such as the income of the owner of the entity, the source of its capital, the mechanization level, etc.

› CONSIDERATION OF THE POSITION IN SUPPLY-CHAIN

Some requirements will be different depending on the position of the operation in the supply-chain (e.g. Producer operation, Intermediate Trader, Brand Holder). This is specified for each criterion.

› CONSIDERATION OF THE ACTIVITY

If no processing or farming activities are performed at the entity / site level (office only), some requirements may not apply. This is specified for each criterion.

› PRESENTATION OF THE CRITERIA

Each set of criteria is organized as follows:

Operations concerned		Specifies to which type of Operation these requirements are applicable, e.g. Producer operation, Brand Holders, etc.							
Additional clarification		Gives details on the type of activities concerned (e.g. processing / farming, etc.).							
Level	Ref.	Key-words	Requirement	Clarification / Guidance	Max. Points	S	M	L	O
Indicates the type of criteria, e.g. KO, MUST Year 1, etc.	Reference number, e.g. SOC-1	Key-words / criteria title	Description of the norm for good practice (Rating = 2)	<i>Interpretation, intent, or further details</i>	Maximum number of Points, e.g. "4"	Define whether the criteria apply to all sizes of entities (Small -S-, Medium -M- or Large -L-), or to some specific sizes only. It also indicates whether they apply to office premises ("O") or not.			



ELIGIBLE VALUES AND STRATEGIES

› WHAT IS THE ELIGIBILITY CHECK?

The eligibility check is a verification ensuring that specific prerequisites – corresponding to defined eligibility criteria – are respected before and after application.

The eligibility criteria address particularly important topics, related to the core values and strategies of the applicants.

The general intent of the eligibility check is to ensure that:

- companies / organizations have a genuine interest for and commitment to ethical objectives;
- clear Fair Trade targets have been set, particularly for projects that do not correspond to a “traditional fair trade” focus (i.e. that are not necessarily dedicated towards Smallholders in developing countries).

The eligibility criteria will be checked:

- Before formalizing the contract with the Control Body (CB);
- During the initial audit, in order to crosscheck the information and to confirm the eligibility;
- During surveillance audits, particularly if there are some changes in terms of project setting / company governance (e.g. sale of a company to a foreign group, etc.).

In case of doubts on the level of engagement / commitment of some large operations (in number of workers, or part of a large corporation), the CB may:

1. Request some recommendations from external stakeholders
And/or
2. Make a formal stakeholder consultation

Information received in this process will be included in the overall assessment of the operation’s eligibility not only before, but also after application.

Eligibility of the Applicant

Practices of the concerned companies / organizations or those of affiliated bodies shall not have proved to be incoherent and conflicting with the core values set by the standard. Therefore, all Operations must demonstrate their adhesion to social, environmental and ethical values at corporate level, and that certification will not be used as a cover for unethical practices.

Operations concerned			All Operations	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-1	Coherent commitment	The commitment of the applicant in an ethical certification is consistent with its existing values and strategies.	<i>The applicant will submit a brief description of its company / organization's values / strategies with regard to Social and Environmental Responsibility, and, if existing, his Corporate Social Responsibility policy.</i>
MUST Year 0	ELIG-2	History - Company level	Applicant company/organization has not been accused and/or found responsible (with material information/evidence, including subpoena) for substantial ethical or environmental violations in the past 10 years OR it has implemented considerable and adapted efforts to: <ul style="list-style-type: none"> - repair the damages caused - avoid that they occur again - diminish their impacts. 	<i>Substantial ethical or environmental violations: Land grabbing, frauds, ecosystem destruction, human right violations, clearly unethical business practices*, etc. For deforestation, see also ENV-20. If any accusations, the sources, severity of accusations, responses, will be evaluated in detail.</i> <i>* This covers, in particular, systematic acts of enticement of the employees of a competing undertaking, corruption and industrial espionage.</i>

Operations concerned			All Operations – Corporate groups	
Additional clarifications			The below criteria apply if the Operation is part of a corporate group.	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-3	History – Corporate Group level	Its affiliated companies (Holding/owner companies, own subsidiaries, sister companies) have not been accused and/or found responsible for any substantial ethical or environmental violations in the past 10 years OR they have implemented considerable and adapted efforts to: <ul style="list-style-type: none"> - repair the damages caused - avoid that they occur again - diminish their impacts. 	<i>Substantial ethical or environmental violations: Land grabbing, frauds, ecosystem destruction, human right violations, clearly unethical business practices*, etc. If any accusations, the sources, severity of accusations, responses, will be evaluated in detail.</i> <i>* This covers, in particular, systematic acts of enticement of the employees of a competing undertaking, corruption and industrial espionage.</i>
MUST Year 0	ELIG-4	Claims	There are no indications that claims with regard to the concerned certified operations will be misused for "ethical" claims on group or group subsidiary level.	
MUST Year 0	ELIG-5	Record of high standards	If the group company hires more than 2000 employees worldwide, it has a record of high standards and good reputation with regard to social responsibility and environmental stewardship.	

Eligibility of the Fair Trade Project

Fair trade is traditionally associated with organized Smallholders in developing « South » countries exporting to the Global « North ».

Fair for Life promotes a vision of Fair Trade accessible not only to organized Smallholders in developing countries:

- In some particular contexts, other types of beneficiaries and structures (mid-sized farms, contract production systems, etc.) may need support;
- Even in the so-called “developed countries”:
 - o labour laws may offer only limited protection to farm workers;
 - o institutional and governmental support to maintain local agriculture / industry may be unbalanced or insufficient when facing concentration and internationalisation phenomena;
 - o some marginalized communities may need support;

Fair for Life focus

› WHO?

Fair for Life is intended for beneficiaries who are at a socio-economic disadvantage and need support to access / remain in the market, regardless of their country.

› WHAT?

Clear Fair Trade targets shall be defined to maintain or develop production systems that are structurally, economically and environmentally sustainable and resilient:

- Structurally: democratic governance structures, all while considering the local context;
- Economically: more diverse systems that are less dependent on one single product or market;
- Environmentally: long-term strategies which anchor environmental sustainability at the heart of companies / organizations.

› “SMALLHOLDERS TAKE PRIORITY” APPROACH:

- Projects where the majority of Producers cannot be considered as Smallholders.
- Projects involving very large farms.

...will be selected with extra caution, since they can potentially compete, on the same market, with products coming from Smallholders.

In order to make sure that the above focus is respected, specific conditions have been defined:

Operations concerned			FFL: Producer operations	
Additional clarifications			This is normally defined and justified by the Producer operation when applying to certification, with the possible help of its envisaged Fair Trade Partner(s).	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-6	Fair Trade focus	The Fair Trade project is focused on identified stakeholders that can be considered as “disadvantaged” (see guidance), and are in need of additional support to strengthen their capacities. This support can take the form of a technical, commercial or organizational support (gradual structuring, improving quality / yields, accessing new markets such as the organic market, etc.).	<p><i>“Disadvantaged”:</i></p> <ul style="list-style-type: none"> - <i>Individuals: due to their revenues, their marginalisation, their geographical isolation, their lack of qualification, etc.</i> - <i>Sector: local producers / processors facing more powerful players and a deterioration in the terms of trade.</i>

Operations concerned			FFL: Producer operations - involving very-large farm(s)	
Additional clarifications			The additional below criteria apply if the Producer operation is a very large-sized farm / estate / plantation*, or has such a farm under its supervision. For raw materials that are generally grown by Smallholders (not only at local level but, for global commodities such as sugar, coffee and cocoa, at international level), particular attention will be focused on these criteria.	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-7	CSR approach	This very large-sized farm: <ul style="list-style-type: none"> - Is already committed in a Social Responsibility approach (own community engagement and projects); - Commits to continue funding this outreach work, and to not finance it through the Fair Trade Fund. 	<p><i>Fair Trade being mainly intended for Smallholders in need of additional support through a specific Fair Trade Fund, the intent of this criteria is to make sure that such very large farms really need a Fair Trade certification instead of a Social Responsibility certification.</i></p>
MUST Year 0	ELIG-8	Support to Smallholders / marginalized groups	The Producer operation fulfils at least one of the 3 below conditions: <ul style="list-style-type: none"> - it already sources fair trade products from Smallholders present in its area or plans to source from them within 3 years; or - it is involved in specific development projects for Smallholders present in his area (including through technical & organizational support); or - it proves truly exceptional social commitment, empowerment projects and outreach to particularly marginalized groups. 	<p><i>The needs of these Smallholders / Marginalized groups need to be assessed during the Fair Trade diagnosis (see POL-11).</i></p> <p><i>Any specific plan / programme linked to this requirement shall be included in the Fair Trade Development Action Plan (see POL-15).</i></p>

→ If ELIG-7 or ELIG-8 are not respected, the Producer operation will be directed towards the For Life certification.

Position with Regards to Organic Farming

The Fair for Life approach strongly encourages farmers to transition to organic farming in order to:

- Be healthier and safer for both the people working on the farm and the consumers;
- Limit the pollution of the environment by chemicals.

Therefore, non-organic certified Producer operations shall have clear ecological targets in order to reduce their impacts on the environment and on human health.

Operations concerned			Producer operations – Conventional	
Additional clarifications			The below eligibility criterion applies to Producer operations involved in farming or wild collection activities but are not certified organic OR not in transition towards organic farming.	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-9	Conventional production	<p>The Producer operation shall:</p> <ol style="list-style-type: none"> 1) justify the fact that it is not Organic certified; and 2) provide a plan to reach organic certification within a defined timeframe; or 3) provide a 3 years' environmental plan to move towards more environmentally sustainable practices (see guidance). Higher improvements and commitments will be expected from the largest operations. <p>The implementation of these plans (2 or 3) will be followed up every 3 years, together with more specific plans linked to the reduction of the use of synthetic agrochemicals (see ENV-30 and ENV-31).</p> <p>Their implementation shall be covered by the Internal standard (see MAN-14) and followed-up through the ICS (see MAN-15 to 18).</p>	<p><i>This plan shall include clear targets in order to:</i></p> <ul style="list-style-type: none"> - <i>Minimize the environmental impacts of farming practices, and increase the level of sustainability of the production system;</i> - <i>Implement management practices for agrochemicals that sustain good quality of life for the farmers, the workers and the local population.</i>

Corporate Commitment

In order to ensure overall coherence of entities' actions and policies, as a general rule:

- 1) All the sites under the responsibility of a given entity (legal / physical person) are normally included in the certification scope, so that the management of social and environmental aspects can be checked for all workers and all sites (see ELIG-10 for possible exemptions);
- 2) If, for a given entity A, all or part of the management (particularly human resources management) is done by another separate entity B (e.g. mother company), all necessary elements from entity B (staff files, procedures, policies, etc.) shall be available during the audit of entity A. The CB reserves the right, based on a risk analysis, to cross-check information at the level of entity B.
- 3) If, for a given entity A, all or part of the staff is shared / exchanged with another separate entity B, the CB reserves the right, based on a risk analysis, to cross-check information at the level of entity B.
- 4) The abovementioned rules also apply to individual Producers (e.g. farmers) supervised by a Producer operation or to any entity under the certification scope of an Operation.

- 5) In terms of certified products, if a given entity is producing / handling different products, of which only a part is certified, the audit will mainly focus on the production / processes related to the certified products, but will also consider the activities related to the non-certified products in the overall assessment.
- 6) If the Producer operation is an Organized Producer Group or a Contract Production Company and wishes to include under the certification scope only some of the Producers regularly supplying the group (e.g. in a cooperative, only some sub-groups of Producers and not others), this has to be justified and may in certain cases not be accepted (see ELIG-11).

Operations concerned			All operations – Multi-site settings	
Additional clarifications			This criterion applies to situations where a given entity (including any producer entity) comprises different sites.	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-10	Multi-site Entity	<p>All sites under the responsibility of a given entity (separate physical / legal person) are planned to be included in the certification scope. Exceptions may be approved by the CB in certain cases (see Guidance). If an exception is granted, the CB will decide, based on degree of separation between the different sites whether ALL sites will still be aggregated to determine the size of the entity (Small / Medium / Large).</p>	<p><i>A detailed justification for the exclusion of a site from the certification scope will be requested from the Operation. Mainly acceptable if a clear separation can be demonstrated (e.g. geographical separation, separate policies, different business sector etc.) and if there is no potential misuse in terms of communication about the certificate (e.g. no shared brand name).</i></p> <p><i>The CB reserves the right to carry out spot-checks in order to verify that social and environmental conditions at the excluded site are in line with the overall commitment of the entity.</i></p>

Operations concerned			Producer operations – Contracted / Organized Production	
Additional clarifications			This criterion applies to situations where the Producer operation is a Contract Production Company / an Organized Producer group.	
Level	Ref.	Key words	Criteria	Clarification / Guidance
MUST Year 0	ELIG-11	Sub-groups of Producers	<p>If not all producers regularly supplying a Producer group Operation (Contract Production Company / Organized Producer group) are included in the certificate of the Producer operation, this has to be approved by the CB (see guidance).</p>	<p><i>A case to case study will assess whether this is justified and possible. Mainly acceptable if:</i></p> <ul style="list-style-type: none"> - <i>Activities (including respect of certain product quality requirements) of the non-selected producers are of a different nature</i> <i>And / or</i> - <i>The non-selected producers cannot respect, at this stage, the standard (e.g. meetings, internal standard, etc.)</i> - <i>There is no potential misuse in terms of communication about the certificate</i>



1. FAIR TRADE POLICY MANAGEMENT

This chapter presents the commitments that key Operations in a Fair Trade supply-chain shall take on in terms of concrete fair trade improvement objectives. Such commitments can be included in specific policies, or can be part of existing policies or other internal rules and procedures.

These commitments are then translated into executive action plans, and the corresponding actions are followed-up through a continuous improvement approach.

The subsequent chapters (and particularly 2 to 6) of the standard will address the implementation of these general commitments / objectives / action plans.

Section 1.1. is normally under the responsibility of the Producer operations themselves. Fair Trade Partners or even Brand Holders, as their long-term partners, may help Producer operations to design and follow-up their Fair Trade policy. This is permitted and even recommended, as a good practice, provided that the Producer operation agrees with this situation, and that a balanced governance is still ensured (as defined in chapter 6 “Empowerment and capacity-building”).

Brand Holders & Fair Trade Partners also have to implement their own policy, as described in section 1.2.

1.1. Fair Trade Policy for Producer operations

Principle: Producer operations identify and define the intended beneficiaries of the Fair Trade project, their needs in terms of capacity building / empowerment / development projects, and the decision-making process for the funded projects. They follow-up the overall Fair Trade targets through regular adjustments and a continuous improvement approach.

Four steps are defined for implementing / managing the Fair Trade Policy at Producer operation level:



› STEP 1: DIAGNOSIS

Operations concerned			FFL: Producer operations						
Additional clarifications			If needed, the below criterion can be implemented in partnership with other actors involved in the supply-chain (particularly the Fair Trade Partner).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	POL-11	Fair Trade Diagnosis – all settings	<p>In order to identify meaningful Fair Trade beneficiaries and targets, the Producer operation identifies in writing the expectations and needs of the different stakeholders with regards to the fair trade projects to come (see guidance). The methodology used to make this diagnosis can take the form of surveys, interviews, meetings, etc. with diverse and representative stakeholders.</p> <p>In addition, the Producer operation includes in the diagnosis an assessment of the needs, wishes and possibilities regarding the improvement of the product and/or associated processes (including addition of processing steps, quality improvement, improvement of processing techniques, support of traditional processing, etc.)</p> <p>Where applicable, this diagnosis shall include in particular smallholders and their organisations.</p>	<p><i>The expectations / needs can be linked to a variety of fields:</i></p> <ul style="list-style-type: none"> - Well-being of workers & producers - Education - Organization strengthening - Market autonomy - Diversification - Product quality - Yields, productivity - Environment & Ecosystem etc. 	3	X	X	X	X

Operations concerned			FFL: Producer operations – Contracted production						
Additional clarifications			The below criterion applies in the cases where “contract production” relationships exist inside the Producer operation. If needed, it can be implemented in partnership with other actors involved in the supply-chain (particularly the Fair Trade Partner).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	POL-12	Fair Trade diagnosis – Contracted Production	<p>The diagnosis:</p> <ul style="list-style-type: none"> - describes the current level of formality among producers; - identifies, following consultations of representative producers, the wishes and possibilities regarding organizational strengthening; - identifies the existing incentives and constraints for reaching the desired degree of organization. 	<p><i>Conclusions should clarify the needs / possibilities to implement or reinforce a participatory body (see EMP-1 to 5) or an independent Organized Producer group (see EMP-11).</i></p>	3	X	X	X	X

› STEP 2: COMMITMENTS AND OBJECTIVES

Operations concerned			FFL: Producer operations						
Additional clarification			If needed, the below criteria can be implemented in partnership with other actors involved in the supply-chain (particularly the Fair Trade Partner).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	POL-13	Fair Trade Policy	<p>Based on the results of the diagnosis, the Producer operation, in a Fair Trade policy or in similar documents:</p> <ul style="list-style-type: none"> - defines meaningful Fair Trade beneficiaries (see guidance); - specifies the Fair Trade focus and the targeted developments in terms of Fair Trade (organizational / commercial support, social community projects, transition to organic, etc.). As a general rule, if there are different potential beneficiaries, the ones who are the most disadvantaged shall be favoured. The beneficiaries may need to be adapted over time (e.g. farm workers on producer farms also gradually included in some Fund projects etc.). 	<p><i>Example of potential beneficiaries:</i></p> <ul style="list-style-type: none"> - <i>Smallholders</i> - <i>Farm workers (seasonal, permanent)</i> - <i>Harvesters</i> - <i>Workers in processing units</i> - <i>Artisans</i> - <i>Small Processing company</i> - <i>Surrounding marginalized communities, etc.</i> <p><i>Depending on the settings, some potential beneficiaries may not be directly involved in the production / processing of the certified product (e.g. surrounding Smallholders, local marginalized community etc.).</i></p>	3	X	X	X	X
MUST Year 1	POL-14	Fund Procedures	<p>The Producer operation, in a Fair Trade Policy or similar documents, presents adequately detailed procedures for responsible administration of the Fair Trade Fund, including decision process on the Fund use and envisaged scope of use.</p>	<p><i>See Section 6.4. for the criteria related to Fair Trade Fund administration.</i></p> <p><i>At this stage, the Producer operation shall at least identify the different actors / groups that will be part of the decision-making process (intended beneficiaries only, managers, Fair Trade partners, etc.), and the type of associated structure (Assembly of intended beneficiaries, one unique Development Fund Committee, several committees geographically distributed).</i></p>	3	X	X	X	X

› STEP 3: ACTION PLAN

Operations concerned			FFL: Producer operations						
Additional clarification			If needed, the below criterion can be implemented in partnership with other actors involved in the supply-chain (particularly the Fair Trade Partner).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 3	POL-15	Fair Trade Action Plan	<p>The Producer operation provides a fair trade development plan expected to cover at least 3 years, describing the different development projects held (at least those financed through the Fair Trade Fund). The plan shall clearly identify:</p> <ul style="list-style-type: none"> - The general and specific aims pursued - The expected results - The various actions to be carried out - The deadlines - The mobilized resources - The stakeholders involved in implementation / funding (fair trade buyers, external NGO, other partners, etc.) <p>Additionally, if identified in the FT Diagnosis (POL-11):</p> <ul style="list-style-type: none"> - Relevant actions to promote product and/or process improvement are included in this plan. <p>The plan can be linked to the development of the internal standard within the framework of the ICS (see MAN-14).</p>	<p><i>This fair trade development plan is part of the general continuous improvement approach and shall be regularly updated (see POL-17).</i></p> <p><i>If actions to promote product and/or process improvement are defined and include business investments, these can be funded by the FT Fund under certain restrictions (see Table page 82).</i></p>	4	X	X	X	X

› STEP 4: FOLLOW-UP AND CONTINUOUS IMPROVEMENT

Operations concerned			FFL: Producer operations						
Additional clarification			If needed, the below criteria can be implemented in partnership with other actors involved in the supply-chain (particularly the Fair Trade Partner).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 3	POL-16	Impact Assessment	<p>The Producer operation develops tools in order to evaluate the outcomes of Fair Trade on the beneficiaries. This can be an impact assessment study, with defined indicators (see guidance) or surveys of the beneficiaries. No matter the tool used, the evaluation is held:</p> <ul style="list-style-type: none"> - on relevant identified fields, depending on the projects' settings, and ideally based on the objectives / actions described in the Fair Trade Action Plan; - at least every 3 years. 	<p><i>Indicators can be either qualitative or quantitative, with defined:</i></p> <ul style="list-style-type: none"> - Frequency of the measurements - Source of information. 	4	X	X	X	X
MUST Year 3	POL-17	Continuous improvement	<p>A continuous improvement approach is set-up for updating / reviewing / improving the Fair Trade action plan and the related impact indicators (adjustments in function of results / feedbacks from stakeholders; refining indicators; adding new indicators, etc.).</p>		4	X	X	X	X

Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	POL-18	Information Internal Stakeholders	The relevant groups (Workers, Producers, supervision and management staff, etc.) are informed about the basic Fair Trade approach and possible implications, and at least of: - The basic procedures for Fair Trade Fund administration; - The intent of the Fair Trade Development Plan.		3	X	X	X	X

1.2. Fair Trade Policy for Supply-chain Partners

Principle: Fair Trade Partners and Brand Holders define a Fair Trade Policy describing their long-term strategy and commitments, and the objectives sought through Fair Trade

Operations concerned			FFL: Fair Trade Partners and Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	POL-19	FT strategic plan	The Operation has a regularly updated Fair Trade business planning and long-term strategic policy, specifying its long-term development objectives with regard to Fair Trade (e.g. working on new product supply-chains, increasing turnover with Fair Trade products, favouring short supply-chains etc.). It shall include: - A clear objective to favour Smallholders and their organizations wherever possible (identification; selection; specific support; pre-financing, etc.); - The way long-term partnerships will be sought and implemented (see TRAD-4); - The objective to source all key ingredients from fair trade certified origin (see CONS-17). Additionally, for Brand Holders: - The commitment to implement awareness-raising activities around Fair Trade (see CONS-21).	<i>This can be a general policy for all suppliers. It can also be incorporated in the company's ethical or social sourcing policy, if suitable.</i>	4	X	X	X	X
MUST Year 3	POL-20	Follow-up of strategic plan	This Fair Trade strategic plan is followed-up through specific indicators related to the objectives fixed (e.g. fair trade turnover, number of new fair trade supply-chains, "Smallholder" sourcing, short supply-chains, etc.). Such indicators enable continuous improvement and regular adjustments of the strategic plan.		4	X	X	X	X



2. SOCIAL RESPONSIBILITY

This section not only ensures that basic human rights are respected, but also aims at ensuring that the working conditions at the Operations do not jeopardise the individual development of the people involved. On the contrary, efforts are made to improve their well-being at all levels: working hours, health and safety, fair wages and benefits, worker-management dialogue, etc.

Section 2.0 refers to other social responsibility schemes that can be considered in the Fair for Life standard.

Sections 2.1 to 2.4 are based on the eight ILO Fundamental Conventions:

- 1) Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
- 2) Right to Organize and Collective Bargaining Convention, 1949 (No. 98)
- 3) Forced Labour Convention, 1930 (No. 29)
- 4) Abolition of Forced Labour Convention, 1957 (No. 105)
- 5) Minimum Age Convention, 1973 (No. 138)
- 6) Worst Forms of Child Labour Convention, 1999 (No. 182)
- 7) Equal Remuneration Convention, 1951 (No. 100)
- 8) Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

In sections 2.5 to 2.11, other references to specific, additional ILO conventions are made and specified for the concerned requirements.

2.0. Consideration of Context and of Other Social Certifications

› CONSIDERATION OF CONTEXT AND LOCAL REGULATIONS

As a general policy, the control of this chapter will take into account the specificities of the different concerned sectors, countries and local contexts.

Operations must abide by the prevailing national and local social regulations. As a consequence:

- if such regulations offer superior protection to workers than the standard, these regulations will apply;
- if such regulations are not respected for a specific topic, compliance to the related criteria will not be possible (i.e. score 2 not achieved).

These regulations offer varying degrees of protection of workers as well as varying degrees of effective implementation, depending on the country / sector / regions. The rating of the criteria will take into account this diversity and will always seek to value the operations who adopt an approach to not only respect, but to surpass applicable legal obligations.

Note: Criteria for which references are asterisked (*) are those applying only to situations where permanent workers are hired, i.e. that normally do not apply to the majority of Smallholder Producers.

› SPECIFIC EXEMPTIONS

In two specific situations, the Operation can request to be exempted from Chapter 2.

CASE 1: Other certifications considered

CASE 2: Small-scale trader

For more details see Annex VII.

2.1. Forced Labour

Principle: There is no forced or bonded labour, in line with ILO Convention 29 and 105.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
		Forced labour	There is no indication of any kind of forced labour, including contemporary forms of slavery, debt bondage and human trafficking:	<p><i>According to the ILO fundamental convention No 29, forced or compulsory labour is defined as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily." This includes (non-exhaustive list):</i></p> <ul style="list-style-type: none"> - human trafficking, slave / prison labour - restriction of workers' freedom of movement - retention of salary / benefits / property - storage of identity papers / important documents as condition for employment - deposits or bonds to force workers to remain / accumulated debt - control of bank accounts - threats of denunciation to immigration authorities 					
KO	SOC-1	a)	The employer does not retain original legal workers' documents (e.g. identity card) nor part of workers' salary, benefits, etc.		2	X	X	X	X
KO	SOC-2	b)	Workers are free to leave their work after an appropriate notice period or without such period applying.		2	X	X	X	X
KO	SOC-3	c)	Family and dependents of workers are not obliged to also work with the worker, they are free to seek employment elsewhere (without deductions from the main worker).		3	X	X	X	X
KO	SOC-4	d)	Employment is never linked to the fulfilling of an obligation or debt of a third party. Large loans to workers (disproportional to their income) do not interfere with their freedom to terminate their contract.		3	X	X	X	X
KO	SOC-5	e)	There is no indication of any other form of forced labour (see guidance).		2	X	X	X	X

2.2. Freedom of Association and Collective Bargaining

Principle: Workers have the right to organize themselves and bargain collectively.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	SOC-6	Information	Workers' right to organize is effectively communicated to the workers. Workers are aware that they are free to organize in associations of their preference, without any negative repercussions, or reprisal from the employer towards them.	<p><i>It is recommended that this right is informed in writing, e.g. in the Social policy of the organization -that is a public document-, or in the employee handbook. In Small Entities, a basic oral communication is sufficient.</i></p>	3	X	X	X	X
KO	SOC-7	Discrimination workers promoting association	There is no discrimination, intimidation or punishment against workers who promote association or unionisation of workers.		4	X	X	X	X
MUST Year 1	SOC-8	Discouraging unionisation	If workers wish to unionise, the employer does not take unpermitted measures to discourage them (e.g. anti-union consultant for 1:1 meetings with workers, individual talks to workers about unionisation, prohibition that independent trade unions visit the facility or talk to workers).		3	X	X	X	X

MUST Year 1	SOC-9	Workers organization allowed	Associative activities and collective bargaining of workers are allowed, and, if workers wish so, there is an active workers' organization or trade union that discusses working conditions, compliance with legal obligations and addresses workers' grievances together with the management (e.g. through scheduled / regular meetings between workers' organization and management, with mutually signed minutes).	<i>"Workers' organization" refers to any organization of workers for furthering and defending the rights and interests of the workers. The most common active workers' organizations are the independent trade unions, but other forms or organizations can also be accepted. Workers' organizations can play an important role in ensuring that workers' rights and interests are respected and may also help dialogue and regular communication between management and workers.</i>	4	X	X	X	X
MUST Year 2	SOC-10	Meetings of workers	There is no indication that the employer obstructs or controls worker representatives' meetings during working hours. The management attends workers' meetings only if invited by the workers.		4		X	X	X
MUST Year 1	SOC-11	Legal restrictions	If the law limits the right to freedom of association and to collective negotiation, the employer shall allow the workers to freely elect their own representatives.		3	X	X	X	X
MUST Year 2	SOC-12	Grievances procedures - Information	There is a written document outlining a fair and appropriate grievance procedure, available to the workers, e.g. in employee handbook or on notice board.		3		X	X	X
KO	SOC-13	Workers grievances respected	Workers who follow the grievance procedure are not disciplined, intimidated or discriminated against, their rights are protected in writing (e.g. in grievance policy or procedure).	<i>A company with an established and well-working grievance procedure may require workers to use the internal mechanisms first before informing the certification body.</i>	2		X	X	X
MUST Year 2	SOC-14	Workers informing certification body	Workers who inform the certification body on labour related problems are not discriminated, intimidated or penalised.		3	X	X	X	X
MUST Year 4	SOC-15	Internal communication	The management encourages and supports workers' feedbacks and suggestions for improvement even beyond grievances (e.g. suggestion box, open discussion culture where workers do not feel intimidated to raise their concerns).	<i>As a result of this attitude from management, there is adequate interaction and understanding between the employer and workers and a positive working atmosphere.</i>	3		X	X	X

2.3. Child Labour and Protection of Young Workers

Principle: Children and Young workers are protected.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
KO	SOC-16	Children employed	No Children are EMPLOYED as workers.	<i>Child = Under 15 years old (or higher as defined by national law for mandatory schooling).</i>	4	X	X	X	X
KO	SOC-17	Children of contracted workers	No work is carried out by CHILDREN OF CONTRACTED WORKERS.	<i>If child labour is found: - the child must be removed from work immediately and his/her safety must be ensured; -the Operation shall set a rehabilitation policy in order to ensure that the child is educated until he/she is no longer a child, by definition.</i>	2	X	X	X	X
KO	SOC-18	Young workers tasks	Young workers do not engage in work at night or in work that is dangerous to their health, safety or personal development. The tasks they carry out are appropriate to their age.	<i>Young workers = between 15 (or higher as defined by national law) and 18 years old (or higher as defined by national law).</i>	2	X	X	X	X
KO	SOC-19	Young workers education	Working hours of Young workers do not interfere with their education; normal school attendance is ensured.	<i>These criteria are applicable to young workers being contracted, or working in their own family production activities (see SOC-21)</i>	3	X	X	X	X
KO	SOC-20	Young workers hours	Young workers do not work regularly more than 8 hours / day. The accumulated time for school, work and transportation is less than 10 hours / day.		3	X	X	X	X

Operations concerned			Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	SOC-21	Help from child under 12	Children under 12 years HELPING in their FAMILY's production activity do only occasionally, very light and appropriate work for less than 2 hours / day. These activities do not compromise their school attendance.	<i>"Family production activities" are either: - work on farms owned / rented / sharecropped by the family - collection activities performed by the family - handicraft/processing activities performed by the family. In some cultural contexts, particularly in the farming sector, it is usual that some work is done in a collective manner, as a community: all the farmers are today at Farm A, and tomorrow at the neighbouring Farm B. In these cases, each family goes to the other farm with the same members that participated in their own farm, children included. This task would also be considered as "family work".</i>	4	X	X	X	
MUST Year 1	SOC-22	Help from child 12-15	Children between 12 and 15 HELPING in their FAMILY's production activity do not do any SUBSTANTIAL work, and less than approximately 3 hours / day. The work is non-hazardous, it is appropriate to their age and it does not compromise their school attendance.		3	X	X	X	

2.4. Equal Treatment and Opportunities

Principle: The Operation ensures equal and respectful treatment of all workers in all matters.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
KO	SOC-23	Discrimination	There is no systematic discrimination against workers (based on gender, race, colour, sexual orientation, disease, disability, marital status, age, religion, political affiliation, caste, social background, ethnic and national origin, nationality, or any other personal characteristics), for recruitment, promotion, access to training, remuneration, task allocation, termination of employment, or retirement. Specific criteria exist for membership in worker organizations including unions; see sub-chapter "Freedom of Association and Collective Bargaining".	<i>"Positive discrimination" can be useful in some settings to overcome entrenched discrimination practices in the society. It may be accepted if permitted by law and until entrenched discrimination has been overcome. In case of discrimination entrenched in cultural norms or traditions, companies shall have proactive policies and programmes aimed at distributing opportunities more equally.</i>	4	X	X	X	X
MUST Year 1	SOC-24	Sexual harassment	Behaviour that is sexually coercive, threatening, abusive or exploitative is not tolerated. Any cases of sexual harassment are followed up by management and resolved within a reasonable time frame.	<i>In order to ensure the safety and dignity of workers, management should promote a culture of respect and zero tolerance for mistreatment and degrading attitudes or behaviour. Incidents of sexual harassment should be dealt with promptly and effectively, leaving no doubt about the willingness of management to discipline violators in a way that would deter future incidents.</i>	3	X	X	X	X
MUST Year 1	SOC-25	Sexual harassment - Complaint mechanism	There is a discreet complaint mechanism with an appropriate responsible person to hear workers' concerns with regard to sexual harassment.	<i>It is recommended that responsible persons are adequately trained as counsellors.</i>	3		X	X	X
MUST Year 1	SOC-26	Pregnancy / parents protected	Pregnant workers enjoy all protection as legally required by national law, and: - No pregnancy tests or birth control are requested. - They are not dismissed for reasons related to pregnancy or child birth. - Women coming back from maternity leaves can return to work with an equivalent or better job position / pay. - Arrangements are made for women who are nursing (breastfeeding breaks) Men coming back from parental leaves can return to work with an equivalent or better job position / pay.		4	X	X	X	X
BONUS	SOC-27	Flexible working conditions	The employer has especially well-adapted working conditions to enable employees to reconcile their personal life with their professional life (e.g. leave after business travels, leave for caring for sick family members, part-time positions, flexible hours for parents of young children, child care support, private space for breastfeeding, etc.).		4			X	X
BONUS	SOC-28	Disadvantaged groups - Special opportunities	The employer creates employment, special training opportunities or especially adapted work places for particularly disadvantaged / discriminated groups, e.g. persons with disabilities.		4			X	X
BONUS	SOC-29	Disadvantaged workers -Improvement working conditions	If some workers are clearly marginalised, they are included in the social development plan of the company (or in the Social Policy) in order to gradually improve their livelihood.		3		X	X	X

2.5. Disciplinary Practices

Principle: Disciplinary measures are fair, adequate and do not violate human rights.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
KO	SOC-30	Harsh or inhumane treatment	There is no indication that the employer is involved, supports or accepts any practice against human dignity and human rights (corporal punishment, physical or mental coercion, verbal violence, bullying).	<i>For the specific case of sexual harassment, see SOC-24.</i>	2	X	X	X	X
MUST Year 2	SOC-31	Disciplinary practices	Disciplinary practices are fair and transparent. There is no excessive disciplinary action.		3	X	X	X	X
MUST Year 1	SOC-32	Disciplinary practices - Deductions from wages	Deductions from wages as a disciplinary measure are not practiced.		2	X	X	X	X
MUST Year 2	SOC-33	Strong disciplinary practices	Other strong disciplinary measures e.g. work ban for limited time, are only done in extreme cases, documented and reasonable in relation to the mistake or offence committed by the worker.		2	X	X	X	X

2.6. Health and Safety

Principle: A safe and hygienic working environment is provided, through adequate management of health and safety issues adapted to the sector's specific hazards.

In the general assessment of whether the measures taken to guarantee a safe working environment are sufficient, the scheme favours a risk-based approach, i.e. larger factories with many workers or any particularly hazardous industry type will be expected to have better developed and more formal procedures and safety measures in place than smaller, low-risk activities.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	SOC-34	H&S policy	A written Health and Safety policy exists, which is made known to the workers.	<i>This policy shall contain as a minimum:</i> - Health and Safety Policy statement - Definition of roles and responsibilities for health and safety - Health and safety training - Risk management, including information about risks / hazards - Monitoring and recording system.	3		X	X	
MUST Year 1 or 2	SOC-35	H&S risk analysis	<i>Medium Entity: Year 2 Large Entity: Year 1</i> A risk analysis of health and safety hazards is regularly done.	<i>The expected level of details of this analysis will be determined by the auditor according to the risks presented by the activity (toxic chemicals; heavy machinery; heat process, etc.).</i>	3		X	X	
MUST Year 1	SOC-36	Risk areas identified	Risk areas and potential hazards are clearly identified with signs in the local language and / or pictorially.		4		X	X	
MUST Year 1	SOC-37	Workers' awareness H&S risks	Workers and management are informed and adequately trained on occupational health and safety risk management (as appropriate for their duties). Trainings are regular and recorded, and are repeated for all new or reassigned workers and management.		4	X	X	X	
MUST Year 1 2 or 4	SOC-38	Specific training for high-risk work	<i>Small Entity: Year 4 Medium Entity: Year 2 Large Entity: Year 1</i> Any workers carrying out high-risk activities (fork lift, chemical handling, and hazardous machinery) have undergone adequate and, documented training, including in the effective use of Personal Protection Equipments - PPE (see SOC-43). Training is performed at least once a year, and renewed as required.	<i>Additional criteria apply to farms where agrochemicals are handled. See section 3.7.</i>	3	X	X	X	
MUST Year 1	SOC-39	Health monitoring high-risk work	Workers who carry out or have carried out activities identified to be dangerous or with high health risks (see guidance) are eligible to annual health examinations paid for by the employer. Workers are informed privately of the examination results and are assigned to other activities if they are unfit for present duties.	<i>Mainly risks related to the handling of hazardous chemicals, but also any others identified as high-risk activities during the risk assessment.</i>	3		X	X	
KO	SOC-40	Vulnerable workers	Pregnant women, nursing mothers and young persons are excluded from potentially hazardous work including handling of chemicals. They are offered alternative work.		3	X	X	X	
MUST Year 2 or 4	SOC-41	Safety officer / staff	<i>Medium Entity: Year 4 Large Entity: Year 2</i> An assigned person is trained as a safety officer with sufficient qualification and management powers.		3		X	X	

MUST Year 1	SOC-42	Machinery and Equipment	Machinery and equipment (including electrical equipment & worker transportation provided by the employer) are maintained to be safe, in order to avoid any accidents (see guidance).	<i>In particular, dangerous machines and equipment have adequate safety devices in place and the mobile parts are protected; protective barriers are erected where required.</i> <i>Electrical equipment (connectors, wires, cables, fuses, housings, boxes, switches, etc.) is adequately installed and regularly inspected.</i>	4	X	X	X		
MUST Year 1 or 2	SOC-43	PPE - Provision and use	Workers are duly protected from any identified risk factors. Personal Protection Equipments - PPEs (or special work clothes and gears, as applicable) are provided to the workers (as appropriate to the tasks, and for all critical / hazardous work). Such equipments are used consistently.	<i>Personal protective equipment (PPE) is specialized clothing or equipment worn by employees for protection against health and safety hazards. It is designed to protect many parts of the body, i.e., eyes, head, face, hands, feet, and ears. It includes mechanisms for protection from noise, dust, light, exposition to chemicals, etc. PPEs should have the same quality for all categories of workers that are exposed to the same type of risk.</i>	2	X	X	X		
MUST Year 4 or BONUS	SOC-44	Changing rooms	In cases where it is necessary for workers to change their clothing when commencing or ceasing work, private changing rooms or other locked facilities for the changing and storage of clothing are provided and properly maintained.	<i>Medium Entity: Bonus Large Entity: Year 4</i>	2		X	X		
MUST Year 2	SOC-45	Washing facilities if toxic substances	If workers handle toxic substances, separate changing areas and washing facilities are available; clothes / gloves worn during application / handling of toxic substances are not taken home for washing.		2	X	X	X		
MUST Year 1	SOC-46	Storage chemicals	If chemicals are used, there are stored in separate, well-locked and clearly identified storage areas, with restricted access.	<i>Additional criteria apply to farms where agrochemicals are handled. See section 3.7.</i>	2	X	X	X		
MUST Year 1 3 or BONUS	SOC-47	Light temperature ventilation	Light, temperature and ventilation conditions in indoor workplaces and buildings are adequate (see Guidance).	<i>The below ILO Recommendation R097, I.1 shall be followed, all while considering the local circumstances: (c) adequate and suitable lighting, natural or artificial, or both, is provided; (d) suitable atmospheric conditions are maintained so as to avoid insufficient air supply and movement, vitiated air, harmful draughts, sudden variations in temperature, and, so far as is practicable, excessive humidity, excessive heat or cold, and objectionable odours.</i>	3	X	X	X	X	
MUST Year 1	SOC-48	Access to potable water	Access to safe drinking water is provided, free of charge.		4	X	X	X	X	

MUST Year 1 2 or 4	SOC-49	Toilet facilities	<p><i>Small Entity: Year 4</i> <i>Medium Entity: Year 2</i> <i>Large Entity: Year 1</i></p> <p>Free, unrestricted access to clean toilet facilities, in adequate numbers (as required by law – see guidance 1), ideally separated by gender (see guidance 2) is provided. This applies to all workers in buildings. For farm workers, adequate solutions must be found, depending on local constraints, available means and resources.</p>	<p>1) If the law does not define adequate number of toilets, the employer will provide: - Below 150 workers: 1 toilet for every 15-25 workers - Above 150 workers: 1 additional toilet for every 40 workers 2) This will be required or not depending on local legislation, cultural contexts, available means and resources, etc.</p>	2	X	X	X	X
MUST Year 4	SOC-50	Facilities food	Clean and adequate facilities for the workers to consume food of their choice OR fairly priced canteen are provided.		4		X	X	X
MUST Year 2	SOC-51	Food quality	If food is provided (or organized) by the employer, it shall be ensured that it is healthy and safe for the workers, with adequate monitoring by the management.		2	X	X	X	X
MUST Year 1 or 3	SOC-52	Accommodation	<p><i>Small Entity: Year 3</i> <i>Medium Entity, Large Entity: Year 1</i></p> <p>If accommodation for workers is provided, it is adequate, clean and safe according to local standards (<i>see Guidance</i>), at reasonable costs.</p>	<p><i>Adequate accommodation: hygienic and healthy conditions (dry, day light access, appropriate lighting, ventilated / heated, clean sanitary facilities with approximately 1 per 15 workers, sufficient space per person, dignified sleeping structures); some privacy ensured and storage of personal belongings possible; access to laundry place and kitchen facilities if necessary.</i></p>	4	X	X	X	X
MUST Year 1	SOC-53	Fire protection system	There is a fire protection system in place, appropriate to the size and the nature of the activity (<i>see Guidance</i>).	<p><i>Appropriate system for all applicable sizes of entities:</i> - appropriate fire equipment, regularly inspected and operational; - known fire procedures. <i>Additionally, for Large Entities or activities presenting high fire risks (in terms of possibility of a fire occurring and of magnitude of consequences of that fire):</i> - alarm system; - adequate number of fire detectors; - fire drills at least once a year (or more if required by law).</p>	3		X	X	X
MUST Year 1	SOC-54	Emergency procedures Large and Medium Entities	Emergency procedures are in place and known by workers (e.g. written / signposted instructions).		3		X	X	X
MUST Year 1	SOC-55	Emergency procedures Small Entities	Small Entities operating in a high-risk context define emergency procedures which are known by all staff (even if not written).		3	X			X
MUST Year 1 3 or 4	SOC-56	Emergency exits	<p><i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 1</i></p> <p>Emergency exits are unobstructed and clearly identified; door can be opened from the inside at any time by any worker. Sufficient for quick and safe evacuation in an emergency.</p>		3	X	X	X	

MUST Year 1 or 3	SOC-57	First aid equipment / care	<i>Small Entity: Year 3</i> <i>Medium Entity, Large Entity: Year 1</i> Adequately stocked first aid equipment, with clear instructions for use (or at least one worker knowing how to use it is always present). Natural / herbal remedies that are known to work are accepted. Emergency medical care (as relevant for potential accidents) is available on site or close to workplace.		3	X	X	X	
MUST Year 2 3 or 4	SOC-58	First aid staff	<i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 2</i> Well-trained first aid staff appointed and always present during working hours.		3	X	X	X	X
MUST Year 1	SOC-59	Accidents at work	There are no excessive accidents or work-related health problems that are disproportional to the activity. When an accident occurs, appropriate risk reduction is in place and improvements are implemented.		4		X	X	X
MUST Year 2	SOC-60	Accidents at work – Records	Accidents at work and work related sicknesses are recorded and adequately followed-up.		3		X	X	
MUST Year 1 or Year 4	SOC-61	Accidents at work - Insurance	<i>Large entity: Year 1</i> <i>Medium entity: Year 4</i> In cases of work-related accidents / illnesses the associated costs are covered (see guidance). The days lost due to a work-related accident / illness cannot be deducted from annual paid leaves. See also SOC-78 for disability insurance and SOC-80 for health insurance.	<i>The associated costs include:</i> <i>- the medical care, including transportation to healthcare facility</i> <i>- the wages during recovery</i> <i>They can be covered directly by the employer and/or through an insurance system.</i>	4		X	X	

2.7. Employment Contracts and Conditions

Principle: The relationship between the employer and the workers is well defined and efforts are taken to create a positive working atmosphere.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	SOC-62	Verbal agreement	If no written contracts are available yet (as detailed in SOC-63), all workers are aware of their employment conditions (job position, wage, benefits if any, working times, leave entitlement, housing, or any other applicable conditions). Such conditions have been verbally agreed upon.		3	X	X		X

MUST Year 1 2 or BONUS	SOC-63	Written agreement	<p><i>Small Entity: BONUS</i> <i>Medium Entity: Year 2</i> <i>Large Entity: Year 1</i></p> <p>Written contracts / agreements on employment conditions (job position, wage, wage deductions if any, applicable social benefits, working times, leave entitlement, housing, or any other applicable conditions) are available for all permanent workers and for temporary workers who work for the employer more than 3 months / year consecutively.</p>	<p><i>This is normally defined for each worker in a written employment contract, which is signed by the employer and worker; a copy is given to the worker.</i> <i>Alternatively, only worker specific details such as position, tenure (with related sickness and paid leave allowance) and wages are given in a contract or similar document, while additional information, which is applicable to all workers, is published in separate general documents (e.g. employment manual, openly displayed working regulations, Collective Bargaining Agreement -CBA-, etc.).</i> <i>Some exemptions may be accepted if local legislation does not impose written contracts and if clear protections by CBA and trade-union representation exist.</i></p>	3	X	X	X	X
MUST Year 1	SOC-64	Registration of workers	The employer has a complete register of ALL workers employed or contracted.	<i>The register shall include all workers employed in current calendar year - for new applicants the list must include all workers employed in 6 months prior to first audit.</i>	3		X	X	X
MUST Year 1	SOC-65	Legal registration of workers	All workers who work for more than 2 months per year are legally registered if required by law.	<i>The legal registration of workers will ensure that they all have legal social security and recognized rights. Wherever provident / pension / social security fund subscription is available, it can be accepted as 'registration' with the concerned government agency.</i>	3		X	X	X

2.8. Wages

Principle: Workers receive a fair remuneration and are paid at least a wage that allows them to meet basic needs and have some discretionary income.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	SOC-66	Legal minimum wages	The wages paid to ALL workers for normal working hours are equal to or higher than the official minimum wages or regulations of any applicable Collective Bargaining Agreements, whichever is higher. This principle is also respected and applied for work paid by task.	<p><i>This criterion is applicable for permanent and for temporary workers.</i> <i>In case of payment-per-production, the rate paid per production entity must ensure the worker to obtain at least the applicable legal minimum wage for standard working hours.</i> <i>To ensure this, the operation must realize a study on a reasonable production rate per hour or day, in order to calculate the adequate pay rate per production entity.</i></p>	4	X	X	X	X

BONUS	SOC-67	Incentives, bonus	Incentives, bonuses or allowances are given to workers according to a transparent and fair system.		4		X	X	X
BONUS	SOC-68	Ownership schemes	There are some worker ownership schemes, according to a transparent system in which workers can earn shares of the company they work for and profit from good results.		4		X	X	X
MUST Year 3 or BONUS	SOC-69	Living wages	<p><i>Small Entity: BONUS</i> <i>Medium Entity, Large Entity: Year 3</i></p> <p>The employer can demonstrate that the wages (including existing social benefits, in-kind benefits and contractual bonuses) paid to ALL workers for normal working hours are equal to or above living wages (see guidance). Otherwise, the employer shall provide a plan to progressively reach the living wage and apply this plan. A timeframe will be set depending on the available resources and means at the employer level. If no benchmark is available and it would be too complex to calculate the living wage, the employer shall prove that particularly good, participatory and inclusive wages agreements have been made, and this is confirmed by the workers.</p> <p>Best practice for the employer is to calculate wages in both local currency and hard currency (USD, EU, etc.).</p>	<p><i>A living wage is an income enabling a person to cover the basic needs of half an average sized family. Basic needs include essential expenses such as Food; Clean drinking water; Clothes; adequate Shelter (as described in SOC-52); Transport; Education; Healthcare; Energy / fuel; Legally mandated social benefits, and discretionary income / savings. Basic needs are calculated on the basis of local prices. Living wages can be calculated by:</i></p> <ul style="list-style-type: none"> - recognized parties of the civil society (existing benchmark) - the employer itself, through surveys and workers' interviews. <p><i>For payment-per-production, the same methodology as indicated for SOC-66 applies. In this particular setting, bonuses and benefits that are not guaranteed may be considered in determining whether the living wage equivalent is paid.</i></p>	4	X	X	X	X
BONUS	SOC-70	Equity	The salary ratio between the highest and the lowest paid worker is 12:1 or lower (including all management categories).		4	X	X	X	X
MUST Year 2	SOC-71	Remuneration training time	Training sessions, time lost due to machine stoppage and other events beyond the control of the worker (such as adverse weather conditions) are paid at the normal daily rate for permanent workers.	<i>This applies to all permanent workers and to temporary workers who work for the employer more than 3 months / year consecutively. It is recommended that similar compensation mechanisms exist for day workers if they already came to work before the event occurred.</i>	3		X	X	
MUST Year 2	SOC-72	Payment in kind	If accommodation or other in-kind remuneration is offered, workers can freely choose the type of remuneration preferred (e.g. cash instead of housing).		2		X	X	
MUST Year 1	SOC-73	Fair housing prices	Deductions for housing are in line with the generally prevailing local prices.		4		X	X	
MUST Year 1	SOC-74	Regular payment	Payments are done regularly (at least monthly) and paid at a fixed schedule. They are done directly to the worker (e.g. to a woman worker and not to her husband) or to his / her authorised recipient of payment.		2	X	X	X	X
MUST Year 2 3 or 4	SOC-75	Payment slips	<p><i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 2</i></p> <p>For each payment, workers receive documentation (e.g. payment slips) containing particulars of wages (actual earnings as well as any deductions and contributions to social benefits) in an understandable manner. For Small Entities, this can take the form of a record of payments.</p>		2	X	X	X	X

2.9. Social Security and Social Benefits

Principle: The employer supports adequate schemes to promote workers' social security and welfare.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
			Even if not required by law, employers must provide their workers access to adequate schemes to support the workers' social security and welfare such as a retirement plan / provident fund, health insurance / medical care, paid sick leave and maternity leave.						
MUST Year 3	SOC-76	Retirement permanent*	Basic coverage for retirement is guaranteed for permanent workers: the employer pays or has offered to pay contributions into a private or government fund. If the employee refuses the retirement plan, the employer must keep documentation of the employee's decision.		4		X	X	X
BONUS	SOC-77	Retirement temporary	Basic coverage for retirement is proposed to temporary workers.	<i>Benefits may be proportioned according to the time worked.</i>	4		X	X	X
MUST Year 4	SOC-78	Disability	ALL workers are provided with a basic coverage / insurance for permanent disability or death.		4		X	X	X
MUST Year 3	SOC-79	Maternity leave	<i>All sizes of entities:</i> National regulations, CBA's regulations related to maternity leaves / coverage are respected or exceeded. Maternity leave is not deducted from annual leave. <i>Medium and Large Entities:</i> - At least 8 paid weeks are guaranteed (or the durations set by national regulations, if higher) - Maternity leave is prorated for part-time or temporary workers		4	X	X	X	X
MUST Year 4	SOC-80	Health Insurance Permanent workers*	Health insurance is provided to permanent workers (government social security or employer contributions). It shall be sufficient to cover all health issues, including long-term / serious non-work related sickness.		4		X	X	X
BONUS	SOC-81	Health insurance Temporary workers	Health insurance is provided to temporary workers (government social security or employer contributions). It shall be sufficient to cover all health issues, including long-term / serious non-work related sickness.		4		X	X	X
BONUS	SOC-82	Unemployment insurance*	Unemployment insurance or compensation for loss of work is provided to permanent workers.		4		X	X	X
MUST Year 1	SOC-83	Paid sick leaves	<i>All sizes of entities:</i> National regulations / CBA's regulations related to sick leaves are respected or exceeded. <i>Medium and Large Entities:</i> At least 5 paid sick days per year are granted to permanent workers.		4	X	X	X	X
MUST Year 4	SOC-84	Paid sick leave temporary	Temporary workers who work for the employer for more than 3 months / year consecutively get a suitable sick pay allowance, in adequate proportion to their working time.		4	X	X	X	X

BONUS	SOC-85	Extra social benefits	Extra social benefits beyond the abovementioned benefits such as e.g. extra leave days (e.g. for wedding, bereavement, moving houses), paternity leave, death insurance, membership to a private retirement fund, etc.		4		X	X	X
BONUS	SOC-86	Extra support services	Extra support services for workers such as e.g. subsidised child care, transportation to work, educational fund for workers' children, support of worker in private hardship situations, fund for workers' children, free work clothing etc.		4		X	X	X

2.10. Working Hours and Paid Leaves

Principle: Working hours are not excessive and workers are paid national holiday and annual leave.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	SOC-87	Normal working hours	Weekly working hours are, as a rule, in line with national labour legislation or any Collective Bargaining Agreement. Usual weekly working hours do not exceed 48 hours.		4	X	X	X	X
MUST Year 2	SOC-88	Registration working hours	The working hours and overtime are duly registered.		3		X	X	X
MUST Year 1	SOC-89	Voluntary overtime	Overtime is voluntary, it is not required regularly, and it is at least paid as extra time or time compensated. In all cases, legally required premium rates are applied.	<i>If workers freely accept occasional requests to work overtime, then they must be informed and aware that neither their employment nor their employment conditions are dependent on them accepting the requested overtime. Workers must be allowed to deny and retract their acceptance at reasonably short notice without fear of discrimination.</i> <i>If workers have the choice of adequate time compensation for occasionally working longer days, and if this occasional practice is agreed with / appreciated by the workers, then this working time can be compensated at the rate agreed between the workers and the management.</i>	3	X	X	X	X
MUST Year 1	SOC-90	Maximum working time	Maximum working hours per week do not exceed 60 hours / week (including overtime). This normally also applies during peak periods, unless a specific exemption has been granted (see guidance).	<i>In agriculture and processing companies with a strong emphasis on seasonality, it may be acceptable that during peak periods (*) the total working time per week goes up to 72 hours, but no more than for 4 consecutive weeks.</i> <i>This exception must be:</i> <i>- in compliance with national legislation</i> <i>- agreed beforehand with workers in an overtime agreement and</i> <i>Moreover:</i> <i>- the workers must be in favour of the system.</i> <i>- health and safety aspects must be carefully monitored.</i> <i>(*) Peak period: maximum 12 weeks in a year.</i>	3	X	X	X	X

MUST Year 1	SOC-91	Rest days and breaks	One rest day (24 hours) in every 7-day period is agreed and guaranteed. Adequate rest breaks during the day are agreed and guaranteed. This normally applies in all circumstances, unless specific exemption has been granted (see guidance).	<p><i>Under exceptional circumstances (*) it would be acceptable that resting time is taken every 2 working weeks (48 hours of rest every 14 days), but not more than 2 consecutive times.</i></p> <p><i>The same conditions as indicated above (SOC-90) apply for granting this exception.</i></p> <p><i>(*) Exceptional circumstances: Strong emphasis on seasonality as explained above (SOC-90), prolonged peak season, changing weather conditions, or other situations duly explicated by the employer.</i></p>	4	X	X	X	X
MUST Year 1	SOC-92	Working times on holidays	<p>Working time on:</p> <ul style="list-style-type: none"> - Sundays (or equivalent weekly rest day) - Statutory holidays - At night <p>are remunerated at legally required premium rate. If such hours are time-compensated the respective premium rate is applied.</p>	<p><i>If workers have the choice of adequate time compensation for occasionally working during such holidays (or at night), and if this occasional practice is agreed with/appreciated by the workers, then this working time can be compensated at the rate agreed between the workers and the management.</i></p>	2	X	X	X	X
MUST Year 1	SOC-93	Night work	<p>If work is frequently done at night, adequate protection measures are in place to ensure that the night workers safety is guaranteed (particularly for women, and including during transportation to and from workplaces). See Guidance.</p>	<p><i>Night: 22:00-06:00, or as specifically defined in the country.</i></p> <p><i>According to Convention No. 171, all workers working during the night should be protected by specific measures, including:</i></p> <ul style="list-style-type: none"> - health protection (first-aid facilities, health checks); - maternity protection; - social services; - opportunities for occupational advancement; - additional compensation (hours of work, pay or similar benefits). <p><i>In some contexts, late night transport may not be safe, particularly for women. In such a case, the employer shall organize safe transportation of workers for the night shifts.</i></p>	2	X	X	X	X
BONUS	SOC-94	Flexibility in working hours	<p>There is some degree of flexibility in working hours to enable workers to reconcile their personal life with their professional life (part-time work, flexible hours, assistance with childcare, etc.).</p>		4		X	X	X
MUST Year 1	SOC-95	Annual paid leave	<p><i>All entities:</i> National regulations / CBA's regulations related to annual paid leaves are respected or exceeded.</p> <p><i>Medium and Large entities:</i> At least 10 days of annual leaves per year are granted to permanent workers.</p>		4	X	X	X	X
BONUS	SOC-96	Annual paid leave temporary	<p>Temporary workers get paid leave allowance in adequate proportion to their working time in the company and overall attendance performance.</p>		4		X	X	X

MUST Year 1	SOC-97	Statutory holidays	Workers have the right to spend statutory holidays off work and receive their normal daily wages if holiday is on a regular working day.		4		X	X	X
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2.11. Regular Employment

Principle: The employer strives to provide regular employment.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 4	SOC-98	Difference permanent – regular temporary (1)*	There are no substantial differences with regards to wages and working conditions (particularly health and safety issues) between permanent and “regular temporary workers” for work of equal value.	A “regular temporary worker” is a worker who basically works the entire year with the organization, but is not categorised as a permanent worker mainly because he/she works for a reduced number of hours, often not fixed (e.g. a temporary worker who works only one or two days per week / per month).	3		X	X	X
MUST Year 2 or 3	SOC-99	Difference permanent – regular temporary (2)*	<i>Small Entity: Year 3</i> <i>Medium Entity, Large Entity: Year 2</i> If there are substantial differences between permanent and “regular temporary workers”, a plan for gradual improvement is in place and followed.		2	X	X	X	X
MUST Year 3	SOC-100	Benefits regular temporary workers*	“Regular temporary workers” are employed with the same core benefits as permanent workers: such as regular work guaranteed, social security payments, sick-days / paid leave entitlements and others; may be salaried or paid on daily wage.		4		X	X	X
MUST Year 1	SOC-101	Regular work	There is no indication that the employer seeks to avoid providing regular employment and fails to meet his legal obligations (for example, payment of social security) by relying on continuous time-limited contracts, subcontracting, working from home, or apprenticeships.	<i>Time-limited contracts are only permitted during peak periods, in case of special tasks, and under special circumstances. Firing and re-hiring workers or changing subcontractors to avoid paying benefits or to avoid accruing seniority is not allowed.</i>	3	X	X	X	X
MUST Year 1	SOC-102	Sub-contracting (1)	Sub-contracting of labour is not used as the first option for hiring workers. When used, the employer can demonstrate that it is done on a limited, justifiable and responsible basis, and that it is not a means of avoiding legal obligations. When some workers are hired through labour contractors: - working conditions of workers employed through the labour contractor are basically the same as for directly contracted workers for similar tasks; - there are clear agreements on working conditions between the employer and the labour contractor.	<i>The standard requirements (including wages, health & safety issues, etc.) must be respected not only for the workers that are directly employed but also for those employed through labour contractors. Note that any labour contractor may be audited by the CB and must permit an audit to take place if requested.</i>	3	X	X	X	X
MUST Year 4	SOC-103	Sub-contracting (2)	When some workers are hired through labour contractors, a plan for reducing this practice has been elaborated and is implemented OR the system of selection / supervision of these subcontractors is well-functioning (see guidance). In all cases, no more than 30% of the total workforce is hired through labour contractors.	<i>Labour contractors that are selected are official / authorized / legal entities having a responsible and documented Human Resources management system (accurate information on workers; copies of contracts containing clear and detailed terms and conditions; record of wages paid -including any deductions; etc.)</i>	3	X	X	X	X

MUST Year 1	SOC-104	Migrant workers	When migrant workers are recruited, there is a prior written agreement that specifies the terms of employment (see SOC-63) as well as:	<i>A migrant worker has not already migrated or settled in the region before having contact with the employer. He can be either domestic or international.</i>	3	X	X	X	X
			<ul style="list-style-type: none"> • duration of employment • quality and cost of housing to be provided • food costs • trip expenses (including visa, if relevant) and safety • terms of repatriation should the recruited worker become unfit to work for reasons which may not be ascribed to him/her • implication of breach of contract by either party The agreement is written in a manner understandable to the worker.						

2.12. Human Resources Development

Principle: The employer encourages workers' continuous or professional training.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
BONUS	SOC-105	Training by employer	The employer develops the human capital in its company/organization, especially through good continuous on-the-job training, in order to upgrade the occupational capacities of the workers.	<i>This may be achieved through the implementation of a staff training plan, of staff internal mobility programs, etc.</i>	4		X	X	X



3. ENVIRONMENTAL RESPONSIBILITY

This section aims at ensuring that the Operations strive to minimise the environmental impact of their activities. The requirements will differ depending on the activity (primary production, processing, sale and resale).

Section 3.0 refers to other environmental certification schemes that can / must be considered in the Fair for Life standard.

3.0. Consideration of Context and of other Environmental Certifications

› CONSIDERATION OF CONTEXT AND LOCAL REGULATIONS

As a general policy, the control of this chapter will take into account the specificities of the different concerned sectors, countries and local contexts.

Operations must abide by the applicable environmental legal obligations, at both the national or local level (e.g. protected areas, etc.). If such legal obligations go beyond the standard requirement, those legal obligations apply.

› ORGANIC CERTIFICATION

ORGANIC certification (national or international organic farming regulations checked by authorized / licensed CB) is not compulsory but is highly encouraged:

- 1) If all the products / sites considered in the certification scope are certified organic
 - The Operations will be assigned maximum rating (4) to the below criteria ENV-0:

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
BONUS	ENV-0	Organic certification	The operation is certified organic for all the products / sites considered in the certification.		4	X	X	X	

- They will be assigned maximum rating to all applicable criteria of part 3.7 “Additional requirements for conventional Operations” (see Annex VII).
- 2) If only part of the products / sites considered in the certification scope are certified organic:
 - The Operations will be assigned rating 3 to the above criteria ENV-0
 - The control of the applicable criteria of parts 3.7. “Additional requirements for conventional Operations” will be performed, but will be focused only on the products / sites that are not certified organic.

› OTHER CERTIFICATIONS CONSIDERED

Other environmental certifications can be considered (see Annex VII).

› OTHER CERTIFICATIONS REQUESTED

Certain sectors present specific environmental risks. In such sectors, additional certifications are requested as pre-requisite for FFL certification (see section “Introduction” - “Concerned sectors and products”).

3.1. Water Conservation

Principle: The Operation takes care to ensure rational use of water and to minimise its consumption.

Operations concerned			All operations						
Additional clarifications			The below criteria apply to processing activities using water and to farming activities using irrigation.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2, 3 or 4	ENV-1	Overview of water usage	<i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 2</i> The Operation knows at least roughly the source and quantity of all surface and ground water directly and / or indirectly used.	<i>See also LOC-1 for water use permits.</i>	4	X	X	X	
MUST Year 3	ENV-2	Water conservation practices	Adequate water use practices and rational use of water; no apparent waste of water, e.g. through very inappropriate irrigation techniques, ineffective use in processing, or other loss of water.		4	X	X	X	

3.2. Energy Management and Climate Change

Principle: The Operation strives to mitigate climate change. Energy consumption is monitored, renewable energy sources and further measures to reduce or compensate the operation's impact on the climate change are sought.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 4	ENV-3	Overview	The Operation is able to roughly quantify the electricity and fuel consumption associated with its production.		4	X	X	X	X
MUST Year 3	ENV-4	Minimising electricity consumption	Electricity is not apparently wasted and reasonable efforts to minimise overall consumption are made (see guidance).	<i>Examples of good practices: lights and machines are turned off after use, rational use of air-conditioning, new machines / facilities are optimised with regard to energy efficiency</i>	4	X	X	X	X
MUST Year 3	ENV-5	Minimising fuel consumption	Adequate fuel saving practices are implemented (see Guidance).	<i>Examples of good practices: for new machines also fuel consumption considered in purchase decisions; minimising car / truck / tractor trips around operation, optimised operation schemes in factories, adequate temperature setting if heating / cooling required)</i>	4	X	X	X	X
BONUS	ENV-6	Renewable energy sources	Adequate efforts to increase percentage of renewable (own biogas from by products, solar, water, wind, etc.) and / or sustainably harvested energy sources and low carbon energy sources (e.g. natural gas instead of coal) are made.		4	X	X	X	X

BONUS	ENV-7	Further efforts	<p>Additional efforts are made to reduce and/or compensate greenhouse gas emissions, adapted to the impacts of the activity and/or to protect existing natural carbon sinks.</p> <p>On farm level, efforts include measures to increase carbon sequestration, in addition to reduction of energy consumption.</p> <p>See guidance for examples.</p>	<p><i>All activities: freight optimization (rationalization, pooling, alternatives to air transport and road-only transport), information on energy management and climate change, reduction of the emissions from employees (professional travels / commuting journeys), choice of suppliers, waste reduction, etc.</i></p> <p><i>Farms: optimized livestock management, no burning of grassland / bushland, build-up of organic soil fertility, agroforestry, appropriate composting methods, appropriate animal manure management (collection, storage, spreading) and efforts to reduce or avoid fertilisers that use nitric acid or ammonium bicarbonate.</i></p> <p><i>Carbon compensation measures may include the funding of external projects that reduce emissions.</i></p>	4	X	X	X	X
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3.3. Gaseous and Liquid Waste Management

Principle: Contamination of groundwater and surface water bodies as well as air pollution is minimised.

Operations concerned			All operations						
Additional clarifications			The below criteria only apply to production / processing activities using water or generating gaseous emissions for production purposes. This includes farms using irrigation.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	ENV-8	Waste water treatment	Waste water (processing waste water, farm waste water) is treated in an appropriate manner, with no substantial risk to environment or people. If local infrastructure for an appropriate waste water management is not available yet: The operation presents and implements a transition plan which defines the measures to be taken in order to build an effective water treatment structure.		4	X	X	X	X
MUST Year 2 or 3	ENV-9	Natural water bodies	<i>Small Entity, Medium Entity: Year 3</i> <i>Large Entity: Year 2</i> When water is discharged into natural water bodies, the water discharged does not degrade the biochemical and physical characteristics of the receiving water body, and does not include organic or inorganic solids. Depth of analysis to ensure and monitor this may vary according to size and potential risks of the operation (see guidance).	<i>For small operations with limited means (particularly Smallholder Producers and their organizations) a less detailed analysis of the waste water quality may be accepted, as long as there is no indication that state of natural water bodies is decreasing.</i> <i>From larger operations, a detailed analysis of the physical and biochemical characteristics of the discharged water will be requested.</i>	4	X	X	X	X
MUST Year 1	ENV-10	Drinking water	There are specific measures in place to ensure that waste water does not contaminate drinking water sources.		4	X	X	X	X
MUST Year 4	ENV-11	Air pollution	Efforts adapted to the activity and to the local possibilities are made in order to minimise and monitor air pollution impacts (e.g. good air filters, use of better fuels).		4		X	X	X

3.4. Waste Management

Principle: Waste is reduced and managed responsibly with adequate efforts to compost and recycle.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2, 3 or 4	ENV-12	Waste management system	<p><i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 2</i></p> <p>An Integrated Waste Management (clean operation, waste production, collection and disposal is handled in an organized way including strategies both for appropriate waste management and waste reduction) for continuous improvement is in place. This includes:</p> <ul style="list-style-type: none"> - The identification of the different types of wastes generated, and associated procedures for adequate waste disposal and reduction - Adequate trainings of workers and Producers OR detailed information about waste management and reduction 	<p><i>For Smallholder Producers, waste management strategies may be implemented on a collective rather than an individual level.</i></p>	4	X	X	X	X
MUST Year 2, 3 or 4	ENV-13	Good Practices	<p><i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 2</i></p> <p>Adequate efforts are made for composting, recycling and waste reduction.</p>		4	X	X	X	X
MUST Year 2	ENV-14	Hazardous Waste	<p>There are designated locked areas for the storage of hazardous waste, with adequate measures in place to avoid pollution of water bodies (see guidance).</p>	<p><i>Adequate measures include a minimum distance of 200 m of the storage areas from water bodies. Other measures may be accepted upon justification, depending on the local context.</i></p>	2	X	X	X	X
MUST Year 1, 2 or 3	ENV-15	Waste disposal	<p><i>Small Entity: Year 3</i> <i>Medium Entity: Year 2</i> <i>Large Entity: Year 1</i></p> <p>Waste disposal is made by the municipality OR, if this permitted by the applicable legislation, by the operation itself (burial of waste or proper incineration that minimises impact on the environment and on human health).</p>		4	X	X	X	X

3.5. Ecosystem Management, Biodiversity and Wildlife

Principle: Threatened or endangered species and habitats are protected and natural ecosystems are not destroyed. Biodiversity and wildlife are promoted.

Operations concerned			All operations						
Additional clarifications			For processing or trade activities, the below criteria apply only if, inside or adjacent to the operation, there are: <ul style="list-style-type: none"> - some natural / semi natural areas; and/or - endangered or rare habitats and species; and/or - aquatic ecosystems. 						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1 or 3	ENV-16	Biodiversity Diagnosis	<p><i>Small Entity, Medium Entity: Year 3</i> <i>Large Entity: Year 1</i></p> <p>The operation provides: an overview of the habitats and the existing flora and fauna (at least vertebrates and for the ecosystem relevant insects) in the natural/semi natural areas of special ecological value inside or adjacent to the operation</p> <p>In complex contexts where the realization of a comprehensive analysis requires more time, delays may be agreed on a case-by-case basis, considering size of the operation and its available means (see guidance).</p>	<p><i>A longer timeframe for the realization of the biodiversity analysis can mainly be accepted for areas which present:</i></p> <ul style="list-style-type: none"> - a very large size - difficult access - heterogeneous typology. <p><i>In this case a plan including the following elements needs to be provided and implemented:</i></p> <ul style="list-style-type: none"> - identification of the zones concerned - definition of a deadline for the realization of the diagnosis for each of the identified zones- a realistic deadline for the completion of the analysis for the whole defined area. 	4	X	X	X	X
Must Year 2 or 4	ENV-17	Overview on threatened species	<p><i>Small Entity, Medium Entity: Year 4</i> <i>Large Entity: Year 2</i></p> <p>Based on the biodiversity diagnosis (ENV-16), the operation is able to identify:</p> <ul style="list-style-type: none"> - threatened or endangered species of fauna and flora (see Guidance) and their habitats inside or adjacent to the operation; - the existing or potential threats to their conservation. <p>In complex contexts where the realization of a comprehensive analysis requires more time, delays may be agreed on a case-by-case basis, considering size of the operation and its available means (see guidance of ENV-16).</p>	<p><i>Threatened or endangered species are defined by the IUCN Red List (Critically Endangered – CR; Endangered – EN; Vulnerable – VU) and by national / other applicable red lists and regulations.</i></p>	4	X	X	X	X
MUST Year 2 or 4	ENV-18	Impacts on local protected species	<p><i>Small Entity, Medium Entity: Year 4</i> <i>Large Entity: Year 2</i></p> <p>There is no evidence that operation has substantial negative impact on threatened or endangered species and/or habitats.</p>	<p><i>The operation practices do not have negative impacts on the ecological processes or functions important for local habitats. The long-term viability of the species' population is not affected.</i></p>	4	X	X	X	X

MUST Year 1	ENV-19	Use of protected species	The Operation is not involved in: - hunting - collecting - processing - commercialization - trafficking of ALL or PART of endangered or threatened wild animals / plants (see guidance 1). Hunting and collecting can possibly be tolerated under certain conditions (see guidance 2).	1) <i>Threatened or endangered species are defined by the IUCN Red List (Critically Endangered – CR; Endangered – EN; Vulnerable – VU) and by national / other applicable red lists and regulations.</i> 2) <i>Hunting and collecting such species are only tolerated if: - they are carried out for subsistence purposes - the CB, based on a study of the conservation status of the concerned species, accepts it.</i> <i>Commercialization of products from subsistence hunting is prohibited.</i>	3	X	X	X	X
KO	ENV-20	Deforestation	The Operation does not engage in any destruction or clearing of primary or old growth secondary forest. Any land which was made cultivable by clearing primary or secondary forests up to 10 years prior to application can only be accepted for certified production if the Operation has implemented considerable and adapted efforts to repair the damages caused / avoid that they occur again / diminish their impacts.		4	X	X	X	X
KO	ENV-21	Other valuable ecosystem conversion / destruction	The Operation does not engage in destruction or conversion of other valuable natural or semi-natural ecosystems (see guidance) OR has taken sufficient compensatory ecosystem conservation action. Any destruction or conversion in the preceding 5 years before the application must be compensated by adequate ecosystem conservation practices.	<i>Destruction/conversion activities are: › For land ecosystems: e.g. introduction of potentially invasive species; conversion of natural grass / bushland (or of other ecologically valuable areas) to agricultural land; › For aquatic ecosystems: e.g. adverse impact on regulation of water courses, water bodies or wetlands; destruction of benthic ecosystems through intensive aquaculture or fisheries; introduction of potentially invasive species into water bodies, pollution of rivers, etc.</i>	4	X	X	X	X
MUST Year 1	ENV-22	Land clearing	If there is some land clearing: - it is carried out in accordance with national / local legal requirements, with the assistance of an environmental expert; - compensation measures are taken; - no burning OR controlled small-scale burning only.		4	X	X	X	X
MUST Year 3	ENV-23	Promotion of biodiversity conservation measures	Measures are taken to maintain or, wherever possible, increase, biodiversity (diversity of habitats, flora, fauna, fungi and microorganisms) in and around the managed areas (e.g. different crops, or different varieties of same crops; planting of indigenous non-target plant species)		4	X	X	X	X

Operations concerned			Producer operations - CROP PRODUCTION						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
KO	ENV-24	GMO	The propagation materials (seeds or planting stocks) used on the farms are not genetically modified, including those used for animal fodder.	<i>GMO: all organisms genetically modified, independent from origin or type of modification.</i>	3	X	X	X	X

3.6. Packaging

Principle: The Operation strives to reduce the environmental impact of packaging.

Operations concerned			All operations						
Additional clarifications			The below criteria apply only Brand Holders and/or to operations packing or repacking products (e.g. companies who are not brand holders and only do purchase / re-sale operations are not concerned).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 4	ENV-25	Eco-friendly Packaging policy	The Operation strives to minimise the direct and indirect environmental impacts of packaging (see guidance)	<p><i>The operation has clear procedures AND/OR records showing that the packaging system is reviewed regularly in order to:</i></p> <ul style="list-style-type: none"> - minimise the amount of material used - maximise the amount of material that can be reused or recycled, and - use materials with recycled content where possible. 	4	X	X	X	X
MUST Year 4	ENV-26	Prohibited materials in packaging	<p>It is forbidden to use these materials in packaging of certified products:</p> <ul style="list-style-type: none"> - polyvinyl chloride (PVC) and other chlorinated plastics - polystyrene and other plastics containing styrene - materials or substances that contain, have been derived from, or manufactured using, genetically modified organisms. <p>It must be proven that these materials have not been used, for example by having written confirmation from the supplier.</p>	<p><i>It is recognized that there may need to be exceptions for specific technical purposes where no other materials can deliver the required properties. Applications for exceptions supported by technical dossiers will be considered.</i></p> <p><i>Common materials that can be used for any packaging: Any 100% natural materials; Wood; Glass; Paperboard; Aluminium; PE [Polyethylene]; PET [Poly(ethylene terephthalate)]; PP [Polypropylene]; PETG; [Poly(ethylene terephthalate) glycol]; PLA [Polylactic acid] (non GMO).</i></p>	2	X	X	X	X

3.7. Additional Requirements for Conventional Operations

This section does not apply to operations that are already certified according to the below regulations for the same certification scope:

	PRODUCTION	PROCESSING
All sectors	Organic certified (national or international organic farming regulations checked by authorized / licensed CB)	
Specific sectors	Global GAP Aquaculture Certificate or ASC Certificate, MSC Certificate*	COSMOS (or recognized as equivalent by COSMOS), GOTS, ERTS (Level 2), IVN Naturtextil Best, IVN Naturleder, GRS

* Compulsory for aquaculture and fisheries

Note that sub-parts “Farming practices”; “Collection practices”; “Livestock” may be considered as compliant if Operations are already certified according to a Good Agricultural Practices standard (see Annex VII).

> USED AGROCHEMICALS

Principle: The Operation does not use agrochemical products known to be particularly harmful to the environment or to people, and demonstrates efforts to explore more ecological alternatives.

Operations concerned			All operations						
Additional clarifications			The below criteria apply to farming and processing of agricultural products, and include any post-harvest treatments.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	ENV-27	List of Agrochemicals	There is an up-to-date list of Agrochemicals and post-harvest treatments (incl. insecticides, herbicides, fungicides etc.) used in the Operation.	<i>For Producer Groups, this is a central register for all producers.</i>	4	X	X	X	
KO	ENV-28	Legally allowed	Agrochemicals and post-harvest treatments used are legally allowed for use within the country / territory in which the crop is grown and in compliance with residue tolerance requirements of the importing country.		4	X	X	X	
KO	ENV-29	Category 1	None of the chemicals corresponding to Category 1 of the Fair for Life and For Life Policy on Prohibited Chemicals are used on crops. No exception will be possible.	<i>See Fair for Life and For Life Policy on Prohibited Chemicals.</i>	4	X	X	X	
KO	ENV-30	Category 2	None of the chemicals corresponding to Category 2 of the Fair for Life and For Life Policy on Prohibited Chemicals are used on crops. <i>See Guidance text for possible exceptions.</i>	<i>If the producer can demonstrate that no other technically or economically viable alternatives are available, and that infestation would have significant economic consequences, exceptional permission might be requested for these chemicals under the following conditions: - strictly supervised implementation including all due safety procedures to minimise exposure AND - written plan for reduction and elimination of use within 3 years.</i>	4	X	X	X	

MUST Year 2	ENV-31	Reduction Plan	The Operation sets quantitative targets for the reduction of the use of synthetic agrochemicals and post-harvest treatments, and their progressive replacement by inputs authorized in Organic farming (see guidance). These targets are consistent with and can be used in order to follow-up: - the general plan for transition to a more sustainable production described in ELIG-9; - the specific plan for elimination of certain chemicals described in ENV-30.	<i>Examples of quantitative targets:</i> - kg of active ingredient / year / hectare: reduction of 25% after 5 years - Number of synthetic agrochemicals replaced by inputs authorized in Organic farming: 1 every 3 years	4	X	X	X		
MUST Year 3	ENV-32	Follow-up	The Operation respects and re-evaluates these quantitative targets, and can justify any significant discrepancies from targets.		4	X	X	X		

> FARMING PRACTICES

Principle: The Producer operation implements Integrated Pest Management techniques and soil conservation measures, and safe procedures for agrochemical handling.

Operations Concerned			All Producer operations - CROP PRODUCTION							
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O	
MUST Year 2	ENV-33	Knowledge on IPM	Technical and practical knowledge about the implementation of an Integrated Pest Management (IPM) system is developed. This can be achieved through different ways, adapted to the local context (see guidance).	<i>This can be done through:</i> - the identification and dissemination of good practices amongst Producers - adequate trainings and access to IPM technical literature / tools - a more official assistance (advisory services, external adviser)	2	X	X	X		
MUST Year 1 or 2	ENV-34	Plans and records	<i>Medium Entity: Year 2</i> <i>Large Entity: Year 1</i> Pest management methods and materials used are planned and documented, including: - prevention measures - observation measures - chemical and non-chemical intervention measures.	<i>Prevention measures: crop rotation, variety selection, etc.</i> <i>Observation measures: pest identification, pest trapping, scouting, etc.</i> <i>Intervention measures: mechanical /physical control, biological control (natural enemies), natural products, chemical products, etc.</i>	2		X	X		
MUST Year 2	ENV-35	Record on agrochemicals use	There are good records about the use of pesticides, fungicide and herbicide agrochemicals. <i>See details in Guidance text.</i>	<i>Following records are requested as a minimum:</i> - product name - active ingredients - area - application rates and dates - methods used (sprayed etc.) - person applying the product - reason for the application	3	X	X	X		
MUST Year 1	ENV-36	IPM - Insecticides and fungicides	It can be demonstrated that insecticides and fungicides (including those approved for organic production) are only applied when needed and not as prophylactic, by following IPM methods.	<i>Insecticides and fungicides are only applied if:</i> - insects/fungus are present - alternative measures defined in the IPM plan were taken wherever possible - applications are limited to the target crop/pest.	4	X	X	X		

MUST Year 2	ENV-37	IPM - Herbicides	Hand or mechanical weeding and mulching are used as a first practice to reduce weeds. If herbicides are used, it is only done upon written justification and with proven efforts to reduce / eliminate their application.	<p><i>Herbicides are only applied if;</i></p> <ul style="list-style-type: none"> - weed is present - alternative measures defined in the IPM plan were taken wherever possible - applications are limited to the target crop/pest. 	3	X	X	X	
MUST Year 2, 3 or 4	ENV-38	Adequate training	<p><i>Small Entity: Year 4</i> <i>Medium Entity: Year 3</i> <i>Large Entity: Year 2</i></p> <p>Technical and practical knowledge about the implementation of soil conservation techniques is developed (soil management, irrigation practices, groundcover, application of fertilizers corresponding to the nutrients needs of the crop, building / maintaining soil fertility and crop rotation (as applicable). This can be achieved through different ways, adapted to the local context (see guidance).</p>	<p><i>This can be done through:</i></p> <ul style="list-style-type: none"> - the identification and dissemination of good practices amongst Producers - adequate trainings and access to technical literature / tools - a more official assistance (advisory services, external adviser) 	3	X	X	X	
MUST Year 2	ENV-39	Record on inputs use	There are good records about the use of fertilizers and soil amendments. <i>See details in Guidance text.</i>	<p><i>Following records are requested as a minimum:</i></p> <ul style="list-style-type: none"> - product name - area - application rates and dates - methods used (sprayed etc.) - person applying the product 	3	X	X	X	
MUST Year 1 or 2	ENV-40	Plans and records	<p><i>Small Entity: Year 2</i> <i>Medium Entity, Large Entity: Year 1</i></p> <p>The soil management methods and materials used are planned and documented, including synthetic fertilisers, fertilisers of biological origin, micro-organisms, compost and compost teas and any other soil additives.</p>		2	X	X	X	
MUST Year 1	ENV-41	Types of fertilisers	Synthetic fertilisers are not used as the sole measure for maintaining soil fertility.		4	X	X	X	
MUST Year 2	ENV-42	Soil conservation	<p>Adequate basic soil conservation and erosion control practices:</p> <ul style="list-style-type: none"> - Soil erosion problems and concerned areas directly related to the agricultural production are identified - Adequate measures are taken to monitor these problems: groundcover, planted hedges, crop residues, etc. 		4	X	X	X	
MUST Year 2	ENV-43	Soil fertility management	Adequate overall soil fertility management to ensure long term productivity (crop rotation, use of leguminous crops, observation of soil life and structure).		4	X	X	X	

Operations Concerned			Producer operations - CROP PRODUCTION						
Additional clarification			The following criteria come in complement to the general Health and Safety measures described in section 2.6. They aim to ensure adequate and SAFE HANDLING, STORAGE AND APPLICATION OF AGROCHEMICALS, with minimised risks to the environment and people.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1 or 2	ENV-44	Responsible person	<i>Small Entity: Year 2</i> <i>Medium Entity, Large Entity: Year 1</i> The person responsible for the storage and the supervision of workers handling pesticides has adequate and up-to-date training / knowledge in agrochemical handling.		3	X	X	X	
MUST Year 1 or 2	ENV-45	Training safe handling	<i>Small Entity: Year 2</i> <i>Medium Entity, Large Entity: Year 1</i> Workers handling pesticides are trained regularly by qualified staff and are aware of safe handling procedures (e.g. mixing of agrochemicals).		3	X	X	X	
MUST Year 1 or 2	ENV-46	Transportation and storage of agrochemicals	<i>Small Entity: Year 2</i> <i>Medium Entity, Large Entity: Year 1</i> During transportation and storage, agrochemicals are kept in their original package with complete label and safety information, safe / careful transport procedures.		2	X	X	X	
		Agrochemical storage Large & Medium entities	In large and medium-sized farms, the following criteria apply to agrochemical storage:						
MUST Year 1	ENV-47	a)	Agrochemical storage is safe and it is in compliance with local and national building codes and guidelines OR alternatively (in case such codes and guidelines do not exist) the buildings have to fulfil the following minimum requirements: sufficient ventilation, impermeable floor (e.g. concrete), secure doors and windows.		3		X	X	
MUST Year 1	ENV-48	b)	Agrochemical storage buildings are not located in areas subject to flooding or ecologically sensitive areas (exceptions are only possible if storage facilities meet complete containment performance standards).		2		X	X	
MUST Year 1	ENV-49	c)	Emergency equipment at agrochemicals storages (and any places where agrochemicals are being mixed): adequate and accessible emergency equipment is available (e.g. sawdust and sand for spills, boxes to repack leaking containers, fire extinguisher, water supply, emergency kit for eyes, posted emergency procedures).		2		X	X	
MUST Year 1	ENV-50	d)	Agrochemical storages are clearly indicated and labelled. Storages are locked and only trained / authorized personnel has access to them.		2		X	X	
MUST Year 1	ENV-51	Agrochemical storage Small Entities	In small-sized farms, the storage is adequately safe for people and environment; toxic agrochemicals are never stored in living quarters, access is restricted.		3	X			
MUST Year 4	ENV-52	Stock inventory records	Stock inventory records of agrochemicals are kept, including date, quantity, type of pesticide, and intended use.		2		X	X	

MUST Year 2	ENV-53	Labelling of sprayed fields / re-entry times	After spraying pesticides on the fields, areas where agrochemicals have been applied are signalled clearly in an understandable way for the workers (e.g. local language, by pictograms) and minimum re-entry intervals as specified in the instruction are respected.		2	X	X	X	
MUST Year 1	ENV-54	Application methods	Adequate pesticide application methods are practised. <i>See details in Guidance text.</i>	<i>Adequate pesticide application includes at least: - adequate machines / tools for efficient application, - adequately calibrated machines / tools, - timing of application optimized with regard to weather conditions (wind) and crop requirements in order to reduce the environmental impact to a minimum. - preparation / mixing done in a way to minimise contamination.</i>	3	X	X	X	
MUST Year 1	ENV-55	Rinsing application equipment	Water from rinsing application equipment is discharged properly, minimising negative environmental impact and preventing contamination of open water bodies.		2	X	X	X	
MUST Year 1	ENV-56	Aerial spraying	Aerial spraying is carried out only for fungicide application in exceptional cases (see Guidance).	<i>Aerial spraying could be exceptionally allowed for fungicide application on a case-by-case analysis only: - with clear justification for the use (mainly accepted for inaccessible areas) AND - never over open water bodies or residential areas.</i>	2		X	X	
MUST Year 1	ENV-57	Buffer zones	The Operation has established buffer zones to prevent any negative environmental impact from its activity on: - Protected areas - Water bodies and drinking water sources - Areas of daily human activity - Other cultivated areas where no/less pesticides are used	<i>Buffer zone: no cultivation, no agrochemical application, no waste disposal. Adequate distance to be determined based on risk analysis (agrochemicals used / areas to be protected).</i>	4	X	X	X	
MUST Year 1	ENV-58	Disposal agrochemical containers	Used agrochemical containers are returned to the manufacturer or at official collection sites. Where not possible: empty containers are kept in locked areas, after having been rinsed at least three times and punctured, with rinsate water properly contained to prevent groundwater contamination. The duration of storage of the containers are reduced to the minimum and the means of elimination chosen are in line with the manufacturer's recommendations and not harmful to the environment.		2	X	X	X	

> LIVESTOCK

Principle: The Producer operation ensures the well-being of the animals.

Operations concerned			Producer operations – LIVESTOCK						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	ENV-59	Water and feed	Adequate access to fresh water and feed according to the needs of the animals. Herbivorous mammals' diet consists of more than 50% grass.		4	X	X	X	
MUST Year 1	ENV-60	Protection weather conditions	Animals are provided with sufficient fresh air, shelter and protection from sunlight, extreme temperature and rain.		4	X	X	X	
MUST Year 1	ENV-61	Outdoor areas	Animals have regular access to open air or grazing areas, when weather conditions permit it.		4	X	X	X	
MUST Year 1	ENV-62	Pain and mutilation	Suffering and mutilations (see guidance) must be kept to a minimum during the entire life of the animal, including at the time of slaughter.	<i>Exceptionally allowed mutilations are those allowed by the organic EU regulation list.</i>	4	X	X	X	
MUST Year 1	ENV-63	Sufficient space	Animals have sufficient space to stand and move naturally, lie down easily, turn around, groom themselves and assume all natural postures and movements such as stretching, and wing flapping. Poultry and rabbits are not kept in cages.		4	X	X	X	
MUST Year 1	ENV-64	Health care and hygiene	Animal health care and hygiene: animals receive adequate health care and are regularly visited by a trained veterinarian; they do not suffer from untreated illnesses; diagnosis and treatments are fully documented.		4	X	X	X	
MUST Year 1	ENV-65	Antibiotics, Hormones and Amino-Acids	Antibiotics, Hormones and Amino-Acids are not used systematically (e.g. in food or as systematic injection) but only: - as a curative treatment - under justification - following veterinary control		3	X	X	X	
MUST Year 1	ENV-66	No isolation	Adequate maintenance of social structures by ensuring that herd animals are not kept in isolation from other animals of the same species (except isolation of animals with unusually aggressive behaviour or behaviour that endangers the safety of other herd animals, sick animals and those about to give birth).		4	X	X	X	
MUST Year 1	ENV-67	Food Autonomy	Farm or regional supply for animal food is favoured, in order to minimize dependency on external purchases.		4	X	X	X	X
MUST Year 1	ENV-68	Reproduction	Hormones used to control reproduction (e.g. induction or synchronization of oestrus) are prohibited, as well as cloning and embryo transfers.		3	X	X	X	X
MUST Year 1	ENV-69	Purchase of animals	Producers limit the purchase of live herbivorous animals for fattening and does so only under justification (generally to offset a loss on the farm). In any case, when purchasing a live animal for fattening, they make sure that the breeding conditions of the animal before his purchase were similar to those carried out at farm level.		2	X	X	X	X

> COLLECTION PRACTICES

Principle: The Producer operation ensures that practices do not have a negative impact on the ecosystem.

Operations concerned			Producer operations – COLLECTION						
Additional clarifications			Collection can take place either in natural / semi-natural areas, or in cultivated fields. In any case, it does not involve any other work than the collection/harvest itself.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	ENV-70	Buffer Zones	The collection areas are at an appropriate distance away from sources of pollution or contamination by prohibited chemicals (Categories I & II of FFL & FL Policy on Prohibited Chemicals).	<p><i>Distance according to risk analysis based on the following elements:</i></p> <ul style="list-style-type: none"> - location, type and concentration of potential sources of contamination - propagation capacity according to the type of pollutant (air, liquid, etc.) and common transport vectors in the area (wind, surface water, animals) - containment precautions taken at the level of the zones surrounding the sources of contamination. <p><i>If no source of pollution or contamination: no buffer zone.</i></p>	3	X	X	X	X
MUST Year 1	ENV-71	Species identification	The species targeted for collection are clearly identified: their names (taxonomic, local and trade names) as well as their botanical descriptions are available.		3	X	X	X	X
MUST Year 1	ENV-72	Maps of collection areas	Maps identify collection areas and location of target species and populations.		3	X	X	X	X
MUST Year 2	ENV-73	Species resource assessment	<p>There is a written baseline resource assessment of target species including adequate and practical:</p> <ul style="list-style-type: none"> - resource inventory; - data on sustainable collection rate, defining the intensity and frequency of collection that enables the target species to regenerate over the long term. <p>Simplified resource assessment (e.g. no formal resource assessment but reasonable local estimates of resource availability, sustainable yield and regeneration of the target species) can be applied under certain conditions (see guidance 1).</p> <p>More complex resource assessments (e.g. more detailed data, more expertise, more technical and financial resources) are required in certain cases (see guidance 2).</p>	<p><i>1) Simplified systems can be applied if:</i></p> <ul style="list-style-type: none"> - The local staff has a good knowledge of the state of the resources and their sustainable management; - Only a very small percentage of population of the target species is collected within each collection area. <p><i>2) More complex systems are required for resources which present a high risk that the collection is unsustainable due to one or several risk factors, e.g.:</i></p> <ul style="list-style-type: none"> - declining population or resource quality - restricted geographical distribution, - very specific / high diversity habitat, - very small population, - whole plant/roots/bulbs/bark/apical meristem collection, - local over-demand / over-collection - etc. 	4	X	X	X	X
MUST Year 3	ENV-74	Collection instructions	<p>There are adequate collection instructions based on site and species specific assessments and monitoring, indicating:</p> <ul style="list-style-type: none"> - collection sites; - harvest methods; - information on any sites excluded from collection; - maximum allowed collection quantities for each species / part of plant and for each collection area, in function of sustainable collection rate. <p>Simplified instructions can be applied under certain conditions (see guidance 1).</p> <p>More detailed collection instructions are required in certain cases (see guidance 2).</p>		3	X	X	X	X

MUST Year 3	ENV-75	Monitoring system	<p>There is a monitoring system in place in order to ensure that sustainable collection rates are effectively applied. This monitoring system includes:</p> <ul style="list-style-type: none"> - consolidated records on amounts harvested (quantities per area per year) - all information relevant to continued monitoring of long-term sustainability (e.g. age and size of plants collected if highly relevant). <p>Simplified monitoring system can be applied under certain conditions (see guidance 1).</p> <p>A more complex monitoring system (e.g. more detailed data, more expertise, more technical and financial resources) is required in certain cases (see guidance 2).</p>		3	X	X	X	X
MUST Year 1	ENV-76	Regeneration rate	<p>In practice, there are no indications that the collection frequency exceeds the rate of replacement of adult individuals.</p> <p>If population shows to be declining in spite of an adequate maximum collection rate considering the adult replacement rate, detailed monitoring on this species is required (see ENV-75).</p>		3	X	X	X	X

› ANIMAL TESTING

Principle: Testing the products on animals is forbidden.

Operations concerned			All operations						
Additional clarifications			The following criterion only applies to operations producing or handling cosmetic products, detergents or home perfumes.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	ENV-77	Animal testing	The Operation does not test its products on animals nor does it require others to do so.		4	X	X	X	X

› CHEMICALS USED IN TEXTILE OR LEATHER PROCESSING

Operations concerned			All operations						
Additional clarifications			The following criterion only applies to operations producing or handling textile or leather products.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
KO	ENV-78	Banned chemicals in textile/ leather	<p>The company/organization does not use any substances listed on the ZDHC Manufacturing Restricted Substance List (MRSL) in the treatment of certified products.</p> <p>For single substances, this can be demonstrated through the Material Safety Data Sheet.</p> <p>For chemical preparations, this can be demonstrated through ZDHC certification of the <u>suppliers</u> for the <u>concerned chemicals</u> (at least level 1) or the approval for a recognized scheme as per the list of accepted MRSL certifiers.</p>	<p><i>The up-to-date list is available on the website of the ZDHC Foundation (www.roadmaptozero.com).</i></p> <p><i>The up-to-date list of accepted MRSL certifiers can be found here:</i></p> <p>https://downloads.roadmaptozero.com/input/MRSL-certifiers</p> <p><i>This requirement is considered compliant if the concerned FFL product is already certified against one of the following:</i></p> <ul style="list-style-type: none"> - GOTS - ERTS Level 2 - IVN Naturtextil Best - IVN Naturleder - GRS 	2	X	X	X	X



4. LOCAL IMPACT

In addition to the fulfilment of the criteria previously described in chapters 2 and 3, relating to the operations' responsibility towards their internal stakeholders (employees, producers) and their surrounding environment, this chapter is related to their responsibility towards the local society. It aims at ensuring that Operations are legitimate and do not have a negative impact in their local setting (e.g. on local communities), and, on the contrary, play a positive role in the local economy.

4.1. Legitimate Use Rights

Principle: The Operation has a legitimate right to land / resources use and legal tenure.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	LOC-1	Legal rights	<p>The Operation holds valid, legal and undisputed land use and tenure rights (including resource use rights such as water use, see guidance).</p> <p>From 1st June 2020 onwards, before undertaking operations on land legally or customarily owned and/or used by indigenous peoples and/or local communities, a binding agreement, including compensation modalities, shall be concluded with the parties through a transparent, accessible and documented Free Prior Informed Consent (FPIC) process. At least one relevant third party organization (non-governmental and non-profit) shall be included in the process.</p> <p>In any case, if there are any disputes, they are documented and handled responsibly. If compensation measures are necessary, they are mutually agreed with the affected parties and implemented in a timely manner.</p>	<i>Concessions / permits for surface and ground water use are available if required.</i>	3	X	X	X	X

4.2. Use of Biodiversity and Traditional Knowledge

Principle: If relevant, efforts are taken to ensure the use of biodiversity and associated traditional knowledge is recognized, transparently negotiated with local peoples and adequately compensated.

This section is related to the application of the Nagoya Protocol on ABS (Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization). This protocol:

- *provides a transparent legal framework for the fair and equitable sharing of benefits arising out of the utilization of genetic resources, thereby contributing to the conservation and sustainable use of biodiversity.*
- *also covers traditional knowledge associated with genetic resources and the benefits arising from its utilization.*

Operations concerned			All operations						
Additional clarifications			The below criteria apply only to the certified products, and only if they are concerned by the Nagoya protocol.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	LOC-2	Unresolved disputes	There are no unresolved disputes related to the commercial use of biodiversity and traditional knowledge OR all such disputes have been resolved in a transparent and mutually beneficial way, based upon written agreements including prior informed consent and mutually agreed terms.		3	X	X	X	X
MUST Year 2	LOC-3	Use of traditional knowledge	Commercial use of traditional knowledge is recognized, promoted and adequately compensated.		2	X	X	X	X

4.3. Contributions to Local Development

Principle: The Operation plays a positive role in the sustainable development of the region in which it operates, and strives to make positive social and cultural contributions in the local setting.

Operations concerned			FFL: Producer operations; FL: All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	LOC-4	Local employment	The Operation provides significant job opportunities for people from nearby local areas; If present workforce is not local, local employment should be positively encouraged (positive discrimination) for all new employment.		4	X	X	X	X
BONUS	LOC-5	Marginalised groups Areas	The Operation provides some employment to marginalised groups or provides employment in a region that generally lacks employment opportunities.		4	X	X	X	X
BONUS	LOC-6	Social and cultural projects	The Operation supports the local social fabric through its engagement in social, cultural and educational projects (e.g. support of school or local health services, scholarship programmes, clusters of local companies active in cultural life, etc.)		4	X	X	X	X
BONUS	LOC-7	Environmental projects	The Operation supports the local social fabric through its engagement in environmental projects (e.g. local recycling / composting programmes, training of local farmers in organic production, renewable energy programmes, fight against urban sprawl, etc.).		4	X	X	X	X
BONUS	LOC-8	Awareness on Social Responsibility	The Operation is active in creating awareness, educating and training in Social Responsibility (including environmental protection / sustainable use of natural resources).		4	X	X	X	X
MUST Year 1	LOC-9	Sustainable practices	The Operation's overall activities and efforts in the local community are in line with sustainable principles, and do not have a negative impact on local / indigenous communities, on the environment or on local sustainable development (lobbying for weaker environmental legislation, promotion of unsustainable practices, etc.).	<i>See also ELIG-2 and ELIG-3.</i>	4	X	X	X	X



5. FAIR TRADE IN SUPPLY-CHAIN MANAGEMENT

This section aims at ensuring that the business practices of the company / organization, in terms of contracts, pricing regulations, payment terms, etc. are fair and based on a sustained and long-term cooperation strategy.

5.1. Long-term Cooperation

Principle: The operation demonstrates its commitment to long-term relations within Fair Trade supply-chains.

Operations concerned			FFL: Fair Trade Partners, Intermediate Traders and Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-4	Long-term relations (1)	<p>The Operation makes efforts to maintain long-term trade relations with his suppliers of Fair Trade certified products, specifically by:</p> <ul style="list-style-type: none"> - Anticipating any problem that may threaten the trade relation (e.g. in case of higher demand, insufficient volumes, etc.) and maintaining open communication about these problems; - Justifying any premature termination of the trade relations (See guidance). 	<p><i>Long-term relationship must be understood as relationships established for more than 3 years. Justification is required if a trade relationship is ended before its third anniversary (if buying directly to a Producer Operation, but also if buying from other types of suppliers and this impacts one or several Producer Operations).</i></p>	4	X	X	X	X

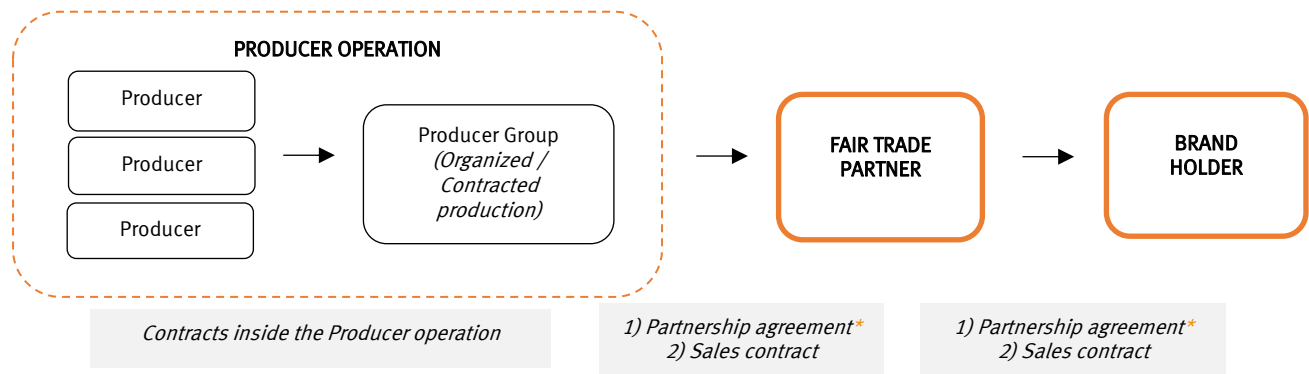
Operations concerned			FFL: Producer operations – Contracted / Organized Production						
Additional clarification			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-5	Long-term relations (2)	<p>The Producer operation makes efforts to maintain long-term trade relations with the registered Producers by:</p> <ul style="list-style-type: none"> - Anticipating any problem that may threaten the trade relation (e.g. in case of higher demand, insufficient volumes, etc.) and maintaining open communication about these problems; - Justifying any premature termination of the trade relations with contracted Producers (See guidance). 	<p><i>Contracted Producers: this does not apply to Producer members of an Organized Producer Group.</i></p> <p><i>Long-term relationship must be understood as relationships established for more than 3 years.</i></p>	4	X	X	X	X

5.2. Contracts and Volumes

Principle: Operations commit to sales contracts and partnership agreements based on mutual advantage and enabling sufficient visibility on contracted volumes.

The standard considers that, no matter the type of trade relation, the writing and signature of the contracts / agreements are under the responsibility of the buyers. However, the CB will take into consideration the cases where the finalisation of contracts / agreements is delayed due in whole or in part to the actions (or inactions) of a supplier.

Producer operations shall be enabled to plan their production, to anticipate the amount of the development fund, etc. over the long-term. In order to enable such planning, different types of contracts are established in the supply-chain, as illustrated in example below:



* Compulsory only between the Fair Trade Partner and the Producer operation.

In parallel, sourcing plans are submitted on a regular basis, and shall enable Producer operations to have more information for effective planning.

Operations concerned			FFL: Fair Trade Partners, Intermediate Traders and Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-6	FT sales contract	For each purchase of Fair Trade products (i.e. from a Producer operation / from a Fair Trade Partner / from an Intermediate Trader), the buyer clearly defines the terms of trade in a sales contract: <ul style="list-style-type: none"> - Agreed volumes - Agreed quality, with clear specifications - Price for the Fair Trade product - Payment terms - Delivery terms - Procedures in case of quality problems Additionally, for purchases from Producer operations: <ul style="list-style-type: none"> - Fair Trade Fund amount, indicated separately from the price (see TRAD-45) - Sales Floor price (see TRAD-38) - Pre-financing, if any (see TRAD-20 and TRAD-21) 	<ul style="list-style-type: none"> - Some of the main terms and conditions may be set via a parallel partnership framework agreement, if existing (see TRAD-7); - If full terms and conditions are included in the partnership framework agreement, no sales contract may be required, provided that a formal agreement on exact prices and quantities exists for each sale. 	3	X	X	X	X
MUST Year 1	TRAD-7	Partnership framework Agreement with Producer operations	<i>Before the first purchase: Agreement must be drafted</i> <i>No longer than 1 year after the first purchase: Agreement must be signed</i> <p>A long-term partnership framework agreement is established between the buyer(s) and the Producer operation (see guidance), defining the Fair Trade relationship and commitment of the different parties involved. This agreement includes at least the following:</p> <ol style="list-style-type: none"> 1. the contract term (at least 3 years or indeterminate duration with clear objective to develop long-term relationships); 2. the guarantees for stability and security: 	<i>This agreement is normally established between the Producer Operation and the Fair Trade Partner. In certain long supply-chains, and provided that they cover all the corresponding fair trade transactions, such agreements can be made through tripartite contracts involving other actors than the Fair Trade Partner (e.g. Conveyor, Brand Holder), or through direct</i>	3	X	X	X	X

			<p>a) mechanism to transmit sourcing plans / provisional volumes;</p> <p>b) general pricing agreements;</p> <p>3. commercial & technical support, if any;</p> <p>4. contract termination procedures;</p> <p>5. dispute resolution procedures, with a mediation mechanism;</p> <p>6. Fair Trade Fund payment mechanism (including calculation method);</p> <p>7. role and responsibilities of the Conveyor, if applicable (particularly regarding the payment of the fair trade prices and Fund).</p>	<p><i>contracts between the Brand Holder and the Producer operation.</i></p> <p>1: See TRAD-5</p> <p>2a: See TRAD-9</p> <p>2b: See section 5.6</p> <p>3: See EMP-18 to 21</p> <p>6: See TRAD-45 & 48</p>						
BONUS	TRAD-8	Partnership framework Agreements with other types of Suppliers	A long-term partnership framework agreement is established between the buyer(s) and their suppliers (that are not Producer operations). This agreement includes at least the items 1 to 5 listed in TRAD-7.		4	X	X	X	X	X
MUST Year 1	TRAD-9	Sourcing plan / volume forecast with Producer operations	<p>The Fair Trade Partner provides its Producer operation suppliers with sourcing plans with projected quantities at least at the beginning of the year / season. If fresh produce, regular updating of projected volumes is expected.</p> <p>It is recommended that such plans allow planning for more than 1 year (e.g. rolling plans of 3 years).</p> <p>If the plans are not respected by the Fair Trade Partner, this is properly addressed during the joint annual review (TRAD-16), to analyse causes and make better estimates.</p>	<p><i>If the high level of volumes exchanged is used as a justification of a lower Fund amount (see Annex VI), then such plans shall be established for a minimum of 3 years.</i></p>	4	X	X	X	X	X
BONUS	TRAD-10	Sourcing plan / volume forecast with other types of suppliers	<p>The buyer provides its other types of suppliers with sourcing plans with projected quantities at least at the beginning of the year / season. If fresh produce, regular updating of projected volumes is expected.</p> <p>It is recommended that such plans allow planning for more than 1 year (e.g. rolling plans of 3 years).</p>		4	X	X	X	X	X
MUST Year 1	TRAD-11	End of relationship	<p>If relationships are ended it is done with dutiful care: announced in advance to allow suppliers to adapt accordingly; if at short notice, due support is provided.</p> <p>More anticipation will be expected for ending a relationship with a Producer operation than with other types of suppliers.</p>		3	X	X	X	X	X

Operations concerned			FFL: Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-12	Linked contracts	<p>If a Fair Trade Partner purchases both certified and non-certified products from the same Producer operation, he will not offer to purchase the certified products on the condition that he purchases the non-certified products at a disadvantageous price (i.e. sales prices for the non-certified products are not below standard market prices).</p> <p>When the very same product is purchased in both Fair trade and non-Fair trade quality, the partner will set via the partnership framework agreement (see TRAD-7) an objective towards a progressive increase of the fair trade contractual quantities. If after 3 years, the volumes purchased as fair trade did not increase, the Fair Trade Partner will have to document the efforts made for promoting fair trade products to his non-fair trade buyers.</p>		2	X	X	X	X

Operations concerned			FFL: Producer operations – Contracted / Organized Production						
Additional clarifications			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-13	Contracts with producers	<p>Clear agreements are established with all the registered producers, either individually or collectively (see Guidance). The agreements include at least the following:</p> <ul style="list-style-type: none"> - the type of product and quality required; - the contract term; - payment procedures and time frames; - agreed volumes; - the commitment on a Floor price; - the Fair Trade prices agreed; - any pre-finance mechanism; - the inputs and services provided and any deductions that may be relevant as a result of this provision; - the cases in which producers are able to terminate the business relationship and the conditions of termination; - procedures and mechanisms to resolve any dispute/conflict. Such contracts shall not make the purchase of certified products dependant on the purchase of non-certified products, and shall not restrict the producers from selling to other buyers, above the contracted volumes. 	<p><i>Contract production: Ideally a contract shall be established with each Producer. If this is not possible, contracts can be established with their representative bodies / persons (including representative sub-group leaders), with adequate verbal explanation of the contract to the registered producers.</i></p> <p><i>Organized Production: In Organized Producer Groups, agreements with Producers can be included in internal rules or communications.</i></p> <p><i>If relevant, the Producer operation signs similar contracts with any intermediaries, Organized Producer Groups or Contract Production company under its supervision, so that they can in return agree on the terms of trade with the producers.</i></p>	2	X	X	X	X
BONUS	TRAD-14	Partnership framework agreements with producers	<p>Such contracts / agreements are accompanied by / correspond to long-term partnership agreements (i.e. they are not only sales contracts): contract term equal or superior to 3 years, or indeterminate duration with clear objective to define long-term relationships.</p>	<p><i>If relevant, the Producer operation signs similar contracts with any intermediaries, Organized Producer Groups or Contract Production company under its supervision, so that they can in return agree on the terms of trade with the producers.</i></p>	4	X	X	X	X

BONUS	TRAD-15	Sourcing plans to producers	Producers are provided with sourcing plans with projected quantities at least at the beginning of the year / season. If fresh produce, regular updating of projected volumes is expected.	If relevant, the Producer operation provides similar sourcing plans to any intermediaries, Organized Producer Groups or Contract Production company under its supervision, so that they can in return plan the volumes.	4	X	X	X	X
			It is recommended that such plans allow planning for more than 1 year (e.g. rolling plans of 3 years).						

5.3. Regular Communication and Exchanges

Principle: The trading relationship is based on trust, regular communication and exchanges.

Operations concerned			FFL: Producer operations and Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-16	Direct contact	<p>Producer operations and Fair Trade Partners keep good regular communication (regular emails, calls, etc.). They are expected to meet face to face at least once a year if they are based in the same country, and once every 3 years if they are based in different countries.</p> <p>It is expected that the type of exchange and their frequencies vary in relation with their relative importance (% of purchases / sales represented by the Producer operation / Fair Trade Partner).</p>	<p><i>It is strongly recommended that the Fair Trade Partner:</i></p> <ul style="list-style-type: none"> - sets on-site visits rather than meetings taking place out of site - increases the frequency of meetings/visits. 	4	X	X	X	X
MUST Year 2	TRAD-17	Annual review	<p>At least once a year, the Fair Trade Partner will conduct a joint review with his Producer operation supplier in order to assess whether a modification of their agreements (see TRAD-6 & TRAD-7) is required. The review shall focus at minimum on the following items:</p> <ul style="list-style-type: none"> - adjustment of sales price; - adjustment of contracted volumes; - if there is a modification in production costs: adjustment of floor price. <p>The adjustments shall be agreed upon by both parties and justified if the volumes / prices are revised downwards.</p>	<p><i>Minutes of meetings / written exchanges formalizing this review will be requested.</i></p>	3	X	X	X	X
MUST Year 2	TRAD-18	Transparency	<p>Upon request, the Producer operation and Fair Trade Partner exchange BtoB information related to their activities:</p> <ul style="list-style-type: none"> - Both partners: brief work plan for coming year; - Producer operation: information about Fair Trade Fund (see guidance 1); - Fair Trade Partner: information about general market trends (see guidance 2). 	<p><i>1) Overviews provided on the decision process, the use of the Fund received from the respective trade partner. The Public summary (CONS-18) and the Annual fund report (EMP-28) can be used for this purpose.</i></p> <p><i>2) fair trade sales growth for the related products, different markets where the products are sold, main distribution channels, etc.</i></p>	4	X	X	X	X

5.4. Product Quality

Principle: Operations agree on mutual mechanisms to solve any product quality problems that may occur.

Operations concerned			FFL: Producer operations and Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-19	Quality problems	In case of quality problems and quality claims, partners undertake to find an agreement on the consequences and to take the necessary steps to improve the situation, as specified in the contract.		3	X	X	X	X

5.5. Access to Finance

Principle: The Fair Trade partner provides pre-financing when his suppliers, particularly Smallholder Producer Groups, so request. If other types of financing occur inside the supply-chain, they are done in a fair and transparent manner.

> PRE-FINANCING

The purpose of pre-financing is primarily to enable Organized producer groups to purchase the products from their member producers, and pay them within a few days of delivery. It may also enable the payment of costs associated with product transport, export or conditioning, or to finance any consequent investment necessary for the organization development.

Pre-financing to individual Producers is also often practiced in contracted production contexts.

Operations concerned			FFL: Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-20	Pre-financing Smallholder Producer Groups	If buying from Smallholder Producer Groups* and if requested by them, Fair Trade Partners must: - grant a pre-financing; or - facilitate that this is done through any external pre-finance (third-party lender, including inside supply-chain). Such suppliers can request up to 50% of the contract value. On an exceptional basis, buyers may not accept to pre-finance (see guidance). <i>* e.g. Organized Producer Groups or Contract Production companies whose suppliers are predominantly Smallholder Producers.</i>	- The decision shall be justified (mainly accepted if high risk of unfulfilled contracts, including important quality problems); - Specific assistance shall be provided for finding other financing opportunities.	3	X	X	X	X
BONUS	TRAD-21	Pre-financing Other types of Producer operations	Upon request, the Fair Trade Partner grants or facilitates a pre-financing for other types of Producer operations.		3	X	X	X	X

MUST Year 1	TRAD-22	Written agreement	<p>1) If pre-finance has been granted by the Fair Trade Partner (through TRAD-20 or TRAD-21), the terms of pre-finance are clearly specified in a contract:</p> <ul style="list-style-type: none"> - Amount (see guidance) - Duration - Interest rates, if any (see TRAD-23) - Consequences in case of problems linked to the delivered quality / quantity <p>2) If pre-finance is granted by a third-party lender, the Fair Trade Partner acts as a guarantor of the supplier, and, if necessary, adapts the terms of its contract so that it is considered as valid by the third-party lender.</p>	<i>If the supplier requesting pre-finance is a Smallholder Producer Group, 50% of the contract value is guaranteed.</i>	3	X	X	X	X
MUST Year 1	TRAD-23	Interest rates	If pre-finance has been granted by the Fair Trade Partner, it is recommended that no interest rate is charged. If charged, interest rates must be equal or better than the terms the Fair Trade partner would receive if financing the money himself (including administrative costs).		3	X	X	X	X

Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	TRAD-24	Use of Pre-financing	If any pre-financing has been received by the Producer operation, it has been used to pay producers in time or for any other measure agreed with the trade partner.		2	X	X	X	

Operations concerned			FFL: Producer operations – Contracted / Organized Production						
Additional clarification			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-25	Pre-financing within Producer Operation	If any pre-financing is granted by the Producer operation within its operations, this is done in a fair and transparent manner, with agreed and reasonable interest rates.		3	X	X	X	

› OTHER TYPES OF FINANCING

Operations concerned			FFL: Fair Trade Partners and Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	TRAD-26	Other financing	Any other type of financing that are not the pre-finance of contracts (e.g. credits, loans, inputs, services, etc.) is agreed between the supplier and the buyer, with documented and transparent terms and conditions (including interest rates, if any).	<i>Depending on the settings, this can be agreed between the Fair Trade Partner and the Producer operation, or between the Producer operation and its suppliers.</i>	2	X	X	X	

5.6. Timely and Reliable Payment

Principle: Suppliers, including producers, are paid in a convenient, timely and well-documented way.

Operations concerned			FFL: Fair Trade Partners, Intermediate Traders and Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-27	Payment terms	Fair Trade certified products are paid within 30 days after receipt of the products, unless indicated differently and mutually agreed in the contract (based on applicable sector / legal constraints). Prompter payment terms are expected for payments to Producer operations.		2	X	X	X	X

Operations concerned			FFL: Producer operations – Contracted / Organized Production; FL: All operations						
Additional clarifications			For FFL, the below criteria only apply to Producer Operations within which direct purchases from Producers are made. For FL, they apply to all operations that purchase from producers, even if those are not included in the certification.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	TRAD-28	Prompt Payment	The Producer operation ensures that: - producers are paid within 14 days of delivery and at once, unless indicated differently and mutually agreed in a contract or similar agreement (see guidance). - payment is done only directly to the Producer (e.g. to woman Producer and not to her husband) or to his / her authorised recipient of payment.	<i>Secondary payment adjustments at the end of the season can occur in case of very low market price, with Fair Trade Producer Sales price falling below the Producer Floor Price, or in case of quality premiums.</i>	3	X	X	X	X
MUST Year 2	TRAD-29	Payment records	Payments to producers are clearly recorded (name, purchase date, product name, volume, price received).		3	X	X	X	X

5.7. Pricing

Principle: The fair trade Producer operation and his fair trade buyers agree on a Fair Trade Sales Price covering production costs in a sustainable way through open and transparent dialogue.

Operations concerned			FFL: Producer operations – Contracted / Organized Production; FL: All operations						
Additional clarifications			For FFL, the below criteria only apply to Producer Operations within which direct purchases from Producers are made. For FL, they apply to all operations that purchase from producers, even if those are not included in the certification.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-30	Pricing rules	There are rules / defined mechanisms on how prices paid to the producers are fixed. These rules, and their updates, are communicated to all producers.		4	X	X	X	X
MUST Year 2	TRAD-31	Grading procedures	Quality requirement and grading procedures (quality premium, organic premium) are clearly defined, and guarantee a standard price for the same quality.		3	X	X	X	X
MUST Year 3	TRAD-32	Deductions	Deductions for inputs supplied and/or service provided by the Producer operation correspond to market prices.		3	X	X	X	X

Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	TRAD-34	Production costs	<p><i>Year 1 and 2: First estimates are expected</i> <i>Year 3: Detailed estimates are expected</i></p> <p>The Producer operation implements and regularly updates a study of the production costs, as basis for price negotiations (Fair Trade Floor price). External studies performed by recognized governmental or non-governmental agencies and adequately addressing the local context can be accepted. In all cases, the production costs shall include: - costs of the raw materials (e.g. for contracted / organized production, costs at individual producer level, see guidance 1) - collection and transport costs - costs for extension and ICS - processing costs - organizational costs - minimum safety profit margins (recommended: 10%) - and other specific costs for Fair for Life compliance (see guidance 2). If there are any intermediaries buying the raw materials from sub-groups, or in the exceptional case where the Producer operation buys from other producer groups, cost calculations shall be transparent and shall include the margins of the intermediaries / producer groups. When setting prices for collectors, the study can be based on a rough estimation of the necessary minimum income for collectors.</p>	<p><i>1) Costs at producer level: Materials / tools used for production, inputs and labour (including own and all family labour and guaranteeing at least the equivalent of a legal minimum wage for the standard time needed for the respective activities), typical costs for land (if applicable), in an ideally efficient production unit of a typical size.</i></p> <p><i>2) Fair for Life compliance costs: certification costs, raising wages to living wage beyond minimum wage, etc. - but not the costs for complying with statutory legal requirements.</i></p>	4	X	X	X	X
MUST Year 1	TRAD-35	Producer Operation Sales Price	<p><i>Applicable only once contact has been established with at least one Fair Trade Partner</i></p> <p>The Producer operation negotiates an adequate Fair Trade Sales Price with its Fair Trade partners in reasonably open negotiations. If the Fair Trade Producer Operation Sales price is more than 15% higher than typical market prices, the Producer operation has to provide with an overview of additional income from Fair Trade and what it has been used for.</p>		2	X	X	X	X

Operations concerned			FFL: Producer operations – Contracted / Organized Production						
Additional clarifications			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-36	FFL Producer Floor Price	<p>A floor price is guaranteed to the producers, based, once available and sufficiently detailed, on production cost analysis (i.e. before Year 3 this price can be based on first production costs estimates and/or be agreed based on the experience of producers).</p> <p>The Producer prices are never lower than the FFL Producer Floor Price.</p>	<p><i>If sales are not 100% Fair Trade, the producer floor price, when applicable (e.g. when the price originally paid to the producer is inferior to the floor price) will be paid in proportion to the fair trade sales, as a retroactive payment at the end of the season. The price originally paid to the producers shall be recorded.</i></p> <p><i>If the certified products are annual crops that are not produced each year by all producers but only by part of them (due to crop rotations), then a clear mechanism to share the fair trade benefits between all the producers needs to be defined and mutually agreed.</i></p>	4	X	X	X	X
MUST Year 1	TRAD-37	FFL Producer Sales Prices – FT/Organic Quality Premium	<p>The Producer operation has implemented a system to record non-organic and non-fair trade market prices (see guidance) in order to ensure that actual Producer Sales prices are higher than these prices:</p> <ul style="list-style-type: none"> - Fair Trade Quality Premium: at least 5% higher prices for non-organic certified products; - Fair Trade & Organic Quality Premium: at least 10% higher prices for organic certified products. <p>Averaged market prices can be used instead of fluctuating market prices.</p> <p>In two specific cases, this criterion can be waived, based on detailed justification:</p> <ul style="list-style-type: none"> • Market prices are very high (due to very high demand, effect of speculation) totally disconnected from production costs; • There is no source available for establishing a reference price. <p>In such cases, lower percentages can be applied and/or the Producer Floor Price can be used as a reference to establish the FFL Producer Sales Price.</p>	<p><i>Market prices to be considered, depending on commodity and available data: world prices, national/local databases, other sources (e.g. competition watch). If such prices are set for the same product but with different processing (e.g. unprocessed vs processed) or different associated costs for transport or export (e.g. different incoterms), this has to be considered in the evaluation of the reference price.</i></p> <p><i>The same conditions as indicated above (see TRAD-36) apply here for the FFL Producer Sales prices.</i></p>	4	X	X	X	X

Operations concerned			FFL: Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-38	FFL Producer Operation Floor prices agreed	FFL Producer Operation Floor Prices are agreed in a justifiable and transparent fashion, normally for a minimum period of 3 years or until reviewed and renegotiated. This is normally agreed inside a signed Partnership Framework Agreement. If such agreement is not signed yet (see TRAD-7), the Floor Price can be agreed elsewhere in a written way.	<i>The FFL Producer Operation Floor Price shall give the Fair Trade Producer operation the necessary security to plan ahead and invest, and enable to avoid prices falling below the costs of production even in times of low market prices. It corresponds to the minimum price to be paid for all Fair Trade purchases.</i>	4	X	X	X	X
MUST Year 3	TRAD-39	FFL Producer Operation Floor prices level	FFL Producer Operation Floor Prices are based on accurate studies on production costs held at Producer operation level.	<i>See TRAD-34 for the requirement at Producer operation level. It is not necessary that the Fair Trade Partner have access to the details of these production costs, but he shall at least mention them in the partnership framework agreements (see TRAD-7).</i>	4	X	X	X	X
MUST Year 1	TRAD-40	FFL Producer Operation Sales prices agreed	FFL Producer Operation Sales Prices have been mutually agreed by the Fair Trade Producer operation and the Fair Trade Partner in a justifiable and transparent fashion. Sales Prices agreed are always superior or equal to the FFL Producer Operation Floor Price.	<i>Both partners shall agree on the price being fair, considering the current market situation, the FFL Producer Operation Floor Price level, and the financial support provided by the Fair Trade Partner.</i>	4	X	X	X	X
MUST Year 1	TRAD-41	FFL Producer Operation Sales prices level – FT / Organic quality premiums	The Fair Trade Partner has implemented a system to record non-organic and non-fair trade market prices (see guidance) in order to ensure that: - Fair Trade & Organic Quality Premium: FFL Producer Operation Sales Prices paid for organic Fair Trade products are at least 10% higher than conventional price. - Fair Trade Quality Premium: FFL Producer Operation Sales Prices paid for conventional Fair Trade products are at least 5% higher than conventional price. Averaged market prices can be used instead of fluctuating market prices. Exceptions can be granted, based on detailed justification, in case of very high market prices, or if it is impossible to record a reference price. In such cases, lower percentages can be applied, and/or the FFL Producer Operation Floor price can be used as a reference to establish the FFL Producer Operation Sales price.	<i>Market prices to be considered, depending on commodity and available data: world prices, national/local databases, other sources (competition watch...).</i> <i>If such prices are set for the same product but with different processing (e.g. unprocessed vs processed) or different associated costs for transport or export (e.g. different incoterms), this has to be considered in the evaluation of the reference prices.</i>	4	X	X	X	X
BONUS	TRAD-42	Production costs	The Fair Trade partner supports the Producer operation in order to determine actual production costs and to adapt the pricing policy as much as possible to this understanding.		3	X	X	X	X
MUST Year 1	TRAD-43	Open price negotiation	There is adequate evidence of and documentation on open communication and interactions on prices between the Fair Trade Partner and the Fair Trade Producer operation.		3	X	X	X	X

5.8. Fair Trade Development Fund

Principle: The fair trade Producer operation and his fair trade Partners agree on an adequate Fair Trade Development Fund, through open and transparent dialogue.

Operations concerned			FFL: Producer operations and Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-44	Fair Trade Fund Agreed	<p>The Producer operation and his Fair Trade Partner negotiate a Fair Trade Fund in reasonably open negotiations, normally for a minimum period of 3 years or until reviewed and renegotiated.</p> <p>In one exceptional case, when the Producer operation is selling (partially or totally) its certified products as a Brand Holder and when its clients - retailers - do not wish to engage in the FFL scheme, the Producer operation is responsible for setting the appropriate Fund amount for such sales.</p>	<p><i>It is expected that Fair Trade Producer operations charge all their Fair Trade Partners with the same Fair Trade Fund.</i></p>	3	X	X	X	X
MUST Year 1	TRAD-45	Fair Trade Fund Level	<p>The amount of the Fair Trade Fund is equal or superior to:</p> <p>a) 5% of the Producer operation sales prices; or to</p> <p>b) 10% of the Producer sales prices (e.g. paid to the individual producers within a Producer operation).</p> <p>In both cases, the Fund can be defined as a fixed amount, and can be based on averaged prices rather than fluctuating market prices.</p> <p>If the CB has accepted that a lower percentage could be set:</p> <ul style="list-style-type: none"> - the specific conditions and procedures described in Annex VI have been respected, as confirmed by the CB in a letter of acceptance (see guidance 1). - in the partnership agreement (see TRAD-7), there shall be a specific clause where partners agree on this lower premium Fund amount, and justify it. <p>For certain ingredients (see guidance 2), specific rules for the Fund calculation apply:</p> <p>If the Fair Trade Partner purchases the non- or low-processed ingredients, the Fair Trade fund is equal or superior to:</p> <p>c) 10% of the Producer Operation Sales Price.</p> <p>No lower percentage is possible in this case.</p>	<p><i>1) In certain specific situations*, lower percentages can be set, upon compliance with procedure described in Annex VI.</i></p> <p><i>* 5 situations have been identified:</i></p> <ul style="list-style-type: none"> A. HIGH VALUE B. HIGH VOLUMES C. DIRECT SUPPORT FROM FAIR TRADE PARTNER D. VERY GOOD SOCIAL CONTEXT E. PRICE INCLUDING FUND <p><i>2) Ingredients traditionally sold in their processed form will create a lower FT Fund if purchased in their non- or low-processed form. In order to guarantee an adequate FT Fund amount, rule c) is obligatory at least for the following ingredients:</i></p> <ul style="list-style-type: none"> - Shea nuts - Argan kernels <p><i>It is, however, strongly recommended to adopt rule c) for purchases of any non- or low-processed ingredients.</i></p>	3	X	X	X	X

Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-46	Fund invoicing	<p>The Fund is clearly separated from the price in the invoicing:</p> <ul style="list-style-type: none"> - There is one separate invoice for the Fund; or - The exact amount corresponding to the Fund is clearly specified. <p>In one exceptional case, when the Producer operation is selling its certified products as a Brand Holder and when his clients - retailers - do not wish to engage in the FFL scheme, the Producer operation can invoice a "Price including Fund" without necessarily specifying the Fund exact amount.</p>		3	X	X	X	
MUST Year 1	TRAD-47	Fund payment	<p>If the Producer operation has to transfer the Fair Trade Fund to specific separate bank accounts:</p> <ul style="list-style-type: none"> - the exact amount is paid (including correct distribution in case of multiple Fund Decision Bodies); - adequate deadlines following receipt of payment from the Fair Trade Partner are respected. 	<p><i>See EMP-23 & EMP-33</i></p>	4	X	X	X	

Operations concerned			FFL: Fair Trade Partners / Conveyors						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-48	Fair Trade Fund payment	In addition to the agreed Fair Trade Producer Operation Sales Price for the product, the buyer pays the agreed Fair Trade Fund (see guidance). This payment should normally be made once a year. Any lower frequency must be justified, and be subject to an agreement with the Producer operation. This agreement and the reasons for this agreement shall be specified in the Partnership Framework Agreement (see TRAD-7).	<i>There is adequate documentation of this payment, including on invoices and contracts. If there is a conveyor, the Fund is paid by the Fair Trade Partner to the conveyor, who then pays the Producer operation.</i>	4	X	X	X	X

5.9. Shared Added-Value inside the Supply-Chain

Principle: Profit margins all along the supply-chain are sufficient in order to ensure the viability of the supply-chain, and reflect ethical business practices. Short supply-chains are encouraged.

Operations concerned			FFL: All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	TRAD-49	Trade margins	Margins applied on Fair Trade products are sufficient in order to ensure the viability of the supply-chain, and reflect ethical business practices: - If they are substantially higher or lower (+/- 10%) than those applied to comparable non-Fair Trade products, a justification will be required; - No dumping prices are applied.	<i>The intent of this criteria is that Operations shall trade with respect of the social, economic, and environmental wellbeing of the beneficiaries (generally marginalized workers/producers) and shall not maximise profit at their expenses. It also aims at avoiding unethical business practices, and unfair competition.</i>	3	X	X	X	X

Operations concerned			FFL: Fair Trade Partners, Intermediate Traders, Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
BONUS	TRAD-50	Intermediaries	The buyer is involved in a majority of short fair trade supply-chains and in a limited number of long fair trade supply-chains (subcontractors are not taken into account to determine the length of a supply-chain, see guidance).	<i>Short supply-chain: supply-chain where there is zero or one trader between the Producer operation and the Brand Holder.</i>	3	X	X	X	X

5.10. Additional Requirements for Groups of Processors and Artisans

Principle: The Producer operation (the group of processors / artisans) ensures that sound social and environmental practices are implemented at the level of its suppliers of raw materials, and sets up a fair negotiation and cooperation mechanism with smallholder farmers and harvesters located in nearby areas.

The majority of the raw material(s) used shall originate from responsible production and known sources. However, it is recognized that artisan groups or individual micro-processors may have substantial difficulties to include all their various suppliers or sometimes a variety of raw materials in the certification system. Therefore, the following adapted rules apply:

Operations concerned			Artisan Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	TRAD-51	Overview sourcing	The Producer operation records all the necessary elements required for having a comprehensive overview of raw material sourcing: origin of raw materials (areas / entities) and how they are being produced / processed.		2	X	X	X	X
MUST Year 1	TRAD-52	Type of raw materials	The Producer operation makes sure that it does not handle raw materials that are coming from: - any endangered or threatened species (see guidance); - metallic materials produced for the sole purpose of creating the object (i.e. if metals are used, they shall be recycled); - archaeological or historical monuments; - leather treated using products which are highly harmful for people or for the environment.	<i>Endangered and threatened species are defined by the IUCN Red List (Critically Endangered – CR; Endangered – EN; Vulnerable – VU) and national red lists.</i>	2	X	X	X	X
MUST Year 2	TRAD-53	Commercial supplier	Any commercial supplier (see guidance) that supplies more than 50% of its production to the processing group as raw material demonstrates decent working conditions, through Social Responsibility certification or other accepted proof of decent working conditions. If not possible because not accepted by supplier, restrictions may be imposed on product labelling.	<i>Commercial supplier: legal entity with legal rights and duties (such as a company, cooperative, corporation, etc.).</i>	4	X	X	X	X
MUST Year 2	TRAD-54	Local producers	Producers of all locally sourced agricultural or wild collection raw materials are to a basic extent integrated into the groups' operation and relevant social and environmental risks in the production process are monitored (integration in the Operation's ICS).		3	X	X	X	X

Operations concerned:			FFL: Artisan Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 3	TRAD-55	Local Smallholder Producers	If there are local Smallholder Producers (i.e. farmers or harvesters) acting as primary suppliers to the Producer operation or to its members, the Producer operation shall ensure that these producers benefit from fair prices, which cover their production costs and are in line with market prices. In order to determine this fair price, a cooperation and negotiation mechanism is set up between the Producer operation and the primary suppliers. See guidance. <i>Note: Depending on the initial diagnosis (see POL-11), such Smallholder Producers can be identified or not as additional beneficiaries and included in the Fair Trade Fund activities of the Producer operation.</i>	<i>Local Smallholder Producers supplying an Artisan / Processor Producer Group operation have the same rights to operate in Fair Trade conditions as the group members themselves. If such Smallholder Producers are located in a nearby area, the Producer operation shall engage in positive and transparent relations with these producers. For non-local Smallholder Producers acting as primary suppliers, it is not expected that they are included in the fair pricing policy.</i>	3	X	X	X	X



6. EMPOWERMENT AND CAPACITY-BUILDING

This section is related to the actions taken at each level in the supply-chain, in order to empower producers and workers such as:

- organization strengthening activities;
- actions to minimize economic dependence on one sole product, market or activity;
- inclusive decision process for the management of Fair Trade Projects.

6.1. Representation of Producers' Interests in the Group

Principle: The group Operation encourages and supports interaction and exchange with the Producers.

Operations concerned			Producer operations – Contracted / Organized Production						
Additional clarifications			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
		Representa- tion mecha- nisms	The Producer operation supports mechanisms enabling interaction and exchange with / between producers, adequate representation of producers' interests in key business / development decisions and negotiations. The Producer operation must support one or a combination of the 3 below mechanisms:						
MUST Year 2	EMP-1	a)	Where there is a producer representation organization with democratic structure already in place (see guidance), producers are informed and participate in all key business decisions through an annual, well announced general assembly with voting rights for all members.	<i>This can be the case: - of formal producer cooperatives selling collectively the products of their members, or, in contexts of "contract production", - of formal producer associations acting as democratic representative bodies.</i>	4	X	X	X	X
MUST Year 2	EMP-2	b)	If, in some settings, a classic democratic structure (as described above - EMP-2-a) is not the organizational form of choice for producers, alternative transparent mechanisms to elect / nominate representatives may be accepted. In such case, the group must demonstrate how every representative is selected in a transparent way.		3	X	X	X	X
MUST Year 2	EMP-3	c)	In the case of very scattered individual producers with very limited communication with fellow producers in the group and hence very low practicability of a joint representation, improved communication channels between producers and Producer operation will be favoured, e.g. by means of open discussions during extension visits with feedback to management, discussions in small nucleus groups, joint trainings, etc.		4	X	X	X	X
MUST Year 3	EMP-4	Effective representa- tion	Regardless of the mechanism used (see above), the producers' interests are effectively represented, with regular meetings, interactions and participation. If this is not the case, a development plan must be presented and if necessary external experts must be included to support group development with positive participatory methods.		4	X	X	X	X
MUST Year 4	EMP-5	Sense of belonging	There are efforts made to promote group feeling: regular meetings / exchanges between producers in group / sub-groups / village centres, etc.		4	X	X	X	X

6.2. Supporting the Least Advantaged in the Group

Principle: Access to the group does not contribute to discrimination, and, on the contrary, the group favours disadvantaged sub-groups.

Operations concerned			Producer operations – Contracted / Organized Production						
Additional clarifications			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	EMP-6	Equal access	Statutes and/or rules inside the Producer operation do not set out any discrimination against Producers (as defined in SOC-23) for access and membership, but also participation, voting rights, access to markets, training, technical support, or to any other advantage related to membership / contract production (see guidance).	<p><i>Organized Production: rules of membership, governance rules, any rule related to access to services / advantages / markets</i></p> <p><i>Contract Production: rules for accessing the collecting entity, governance rules, any rule related to access to services / advantages / markets</i></p>	2	X	X	X	X
MUST Year 1	EMP-7	Disadvantaged groups' discrimination	In practice, there are no obstacles to the participation and membership of disadvantaged groups (minority groups and economically disadvantaged groups) within the Producer operation. They are not excluded, even if not present.		2	X	X	X	X
MUST Year 4	EMP-8	Disadvantaged groups' empowerment	If some disadvantaged groups have been identified within the Producer operation, appropriate programs are set up to improve their social and economic position, and to facilitate their participation and representation within decision-making bodies.		4	X	X	X	X
MUST Year 1	EMP-9	Women's discrimination	In practice, there are no obstacles to the participation and membership of women Producers within the Producer operation. They are not excluded, even if not present. Wives of Producers involved in production are not excluded from group meetings and activities. This applies to men in contexts where women make up the majority of Producers.		2	X	X	X	X
BONUS	EMP-10	Empowerment	Appropriate programs are set up to improve the social and economic position of women Producers within the Producer operation or of any disadvantaged / discriminated groups in the local community (specific programmes, trainings, etc.)		4	X	X	X	X

6.3. Diversification and Autonomy

Principle: Diversification and autonomy of producers, workers and their organizations are promoted, through various commercial and technical support mechanisms.

Operations concerned			FFL: Producer operations – Contracted Production						
Additional clarifications			The below criterion applies only to contract production companies						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	EMP-11	Commercial Autonomy	If producers wish so (as expressed in the initial needs assessment, see POL-11), the Producer operation does not prevent and helps the progressive structuration of individual producers into an independent commercial structure, or any other initiatives from producers / subgroups to take over more responsibilities on product commercialisation.		3	X	X	X	X

Operations concerned			FFL: Producer operations – Contracted / Organized Production						
Additional clarifications			The below criteria only apply to Producer operations within which direct purchases to Producers are made.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	EMP-12	Annual crops	Individual farmers of annual crops are not implicitly or explicitly required to grow the certified cash crop each year OR they have a choice of products to grow to remain in the group.	<i>Limited restrictions may be acceptable, e.g. that the target crop must be grown e.g. for 2 years out of 3 to remain in the group.</i>	2	X	X	X	X
MUST Year 3	EMP-13	Economic management training	The Operation trains the producers on cash management, budgeting and allocation of resources, production costs calculation methods OR the level of financial / economic literacy is already very good due to external trainings or services.		3	X	X	X	X
BONUS	EMP-14	Special Support Schemes producers	There are special support schemes for producers (e.g. loan schemes, projects to improve economic self-sufficiency) paid directly by company / organization (not from Fair Trade Fund).		4	X	X	X	X

Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
BONUS	EMP-15	Product diversification	The Producer operation is making reasonable efforts to promote product diversification at his level and, if applicable, at the level of the individual producers.		3	X	X	X	X
BONUS	EMP-16	Ownership Shares	There are programmes for workers or producers to obtain ownership shares of the company / organization at preferential conditions.		3	X	X	X	X

Operations concerned			FFL: Fair Trade Partners						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	EMP-17	Market diversification	The Fair Trade partner does not prevent his Fair Trade Producer operation suppliers to sell to other buyers the Fair Trade products, above the contracted volumes.		3	X	X	X	X
MUST Year 1 or BONUS	EMP-18	Direct support	<p><i>Fair Trade partners that source non- or low-processed ingredients listed in the Guidance : Year 1</i> <i>All other Fair Trade partners: BONUS</i></p> <p>The Fair Trade partner provides his Fair Trade Producer operation suppliers with direct technical, commercial or organizational support, on-site, including, if necessary, adequate trainings. The support provided will be focused on technical and organizational capability transfer to improve the environmental sustainability of the project (particularly for supporting transition towards organic farming), improve the quality of the product, maximise on-site processing, etc.</p> <p>If the development of processing capacities at the producer level is identified as a need by the Producer Operation, the Fair Trade partner provides direct technical, commercial or organizational support to implement the defined actions.</p>	<p><i>Some ingredients are known to be traditionally processed by smallholder producers and their organizations. These include at least:</i></p> <ul style="list-style-type: none"> - <i>Shea nuts (processed into shea butter);</i> - <i>Argan kernels (processed into argan oil).</i> <p><i>For Fair Trade Partners that purchase the non- or low-processed ingredient, support to develop processing within the Producer Operation is obligatory, if identified as need by the Producer Operation.</i></p>	4	X	X	X	X
BONUS	EMP-19	Diversification	The Fair Trade Partner shall encourage his fair trade producer suppliers to find other buyers and new market opportunities in order to minimise their dependence.		4	X	X	X	X
MUST Year 1	EMP-20	Follow-up of Direct Support	<p>If the direct support is used as a justification of a lower Fund amount (see Annex VI), this direct support:</p> <ul style="list-style-type: none"> - is documented, with corresponding actions and amount followed; - corresponds to actions decided jointly with the Producer operation representatives, in a collaborative process (see guidance) 	<i>This process can be separate from the Fair Trade Fund decision-making process, but shall enable proper consideration of the needs of the beneficiaries, through regular consultations of representative stakeholders.</i>	3	X	X	X	X

Operations concerned			FFL: Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	EMP-21	Information on market	The Brand Holder supports the Producer operations in his fair trade supply-chains by giving information on market requirements and price developments. This can be provided through intermediate buyers / Fair Trade Partner if this is agreed in writing.		4	X	X	X	X

6.4. Administration and Use of the Fair Trade Fund

Principle: The Fair Trade Fund is administered responsibly for meaningful development projects. Decisions are taken according to clear procedures including the identified fair trade beneficiaries.

Operations concerned			FFL: Producer operations						
Additional clarifications			The below criteria do not necessarily apply from the first year of certification. Their applicability depends of the stage of the fair trade project. This is indicated in each criterion.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	EMP-22	Functional Fund decision body	<p><i>Must be met once at least one Fair Trade Partner has been identified, and before any Fund is used</i></p> <p>There is a functional Fund decision body (FDB), with documented members and procedures:</p> <ul style="list-style-type: none"> - either an assembly of intended beneficiaries (e.g. producers and factory workers); - either a Development Fund Committee; <p>In the second case, the Committee members have been elected either through a general assembly meeting of beneficiaries, or through a delegate system.</p> <p>The Fund decision body meets at least twice a year.</p>	<p><i>More than one decision body can be defined, especially when beneficiaries are spread throughout a large geographic area.</i></p> <p><i>When workers and producers are both concerned, the setup shall allow their interests to be represented (e.g. part of the Fund amount to be decided by producer assembly, and other part by workers' assembly OR mixed Committee).</i></p>	3	X	X	X	X
MUST Year 1	EMP-23	Balanced FDB	<p><i>Must be met once at least one Fair Trade Partner has been identified, and before any Fund is used</i></p> <p>The FDB is balanced, with adequate representation of the intended beneficiaries:</p> <ul style="list-style-type: none"> - the beneficiaries have the majority; - the sub-groups of beneficiaries (from different areas / interest groups) are considered in an adequate way, with proportional representation; <p>In order to ensure adequate transparency / experience sharing, it is recommended that the below stakeholders are included as members or observers of the FDB:</p> <ul style="list-style-type: none"> - management representatives of the Producer operation (see Guidance 1 for conditions); - representatives of Fair Trade Partners (see Guidance 2 for conditions). 	<p><i>1) In such cases, they shall:</i></p> <ul style="list-style-type: none"> - Have no majority; - Have no veto right, except when the Producer operation is an Organized Producer Group, or unless the decisions taken are clearly opposed to the Fair Trade Fund usage rules; - In practice, have a coordination / advisory role rather than a decision-making role <p><i>2) In such cases, they shall:</i></p> <ul style="list-style-type: none"> - Have no majority; - Have no veto right, unless the decisions taken are clearly opposed to the Fair Trade Fund usage rules; - In practice, have an advisory role rather than a decision-making role 	3	X	X	X	X
MUST Year 1	EMP-24	Resources	<p><i>Must be met once at least one Fair Trade Partner has been identified, and before any Fund is used</i></p> <p>The Producer operation facilitates and supports basic administrative running costs of the FDB, for communication costs and basic support for meetings (room, drinks, transportation, hourly wage for workers' time, office supplies, etc.).</p> <p>In exceptional cases, this can be done through the FT Fund (see table page 83).</p>		4	X	X	X	X
MUST Year 1	EMP-25	Traceability of Fair Trade Fund	<p><i>Must be met once Fund money has been paid</i></p> <p>Fund amounts shall be traceable: they are specified in contracts / invoices and are documented.</p>		2	X	X	X	X

MUST Year 1	EMP-26	Separate bank account	<p><i>Must be met once Fund money has been paid</i></p> <p>If the Producer operation is not an Organized Producer Group: - The Fund must be administered in separate and dedicated bank account(s), with appropriate signatory rights (see guidance). Written procedures ensure that Fund money received by the Producer operation is transferred to the Fund account in a timely manner (see TRAD-47). - If any substantial business assets are purchased with the Fund money, a Fair Trade Fund legal entity must be established as owner of such assets.</p>	<p><i>Appropriate signatory rights are normally joint signatures by company and a producer/worker representative. Other appropriate settings may be used as long as they are both practical and prevent misuse. If only the company holds signatory rights or if for specific reasons a separate bank account is not possible, a written confirmation signed by the executive management is required affirming that the company acknowledges that the Fair Trade Fund is not the company's property.</i></p>	3	X	X	X	X
MUST Year 1	EMP-27	Documentation of decisions	<p><i>Must be met once Fund money has been used</i></p> <p>The decisions on Fund use as well as any money spent for the agreed activities are well documented.</p>		2	X	X	X	X
MUST Year 1	EMP-28	Annual Fund Report	<p><i>Must be met once Fund money has been used</i></p> <p>The FDB writes an annual report with total Fund received, Fund use decisions, all activities financed by Fund money (with detailed budget).</p>		4	X	X	X	X
MUST Year 1	EMP-29	Communication	<p><i>Must be met once Fund money has been used</i></p> <p>If the FDB is a Committee and not a general assembly of beneficiaries, there are annual exchanges with the beneficiaries to present and discuss the annual report (e.g. general assemblies of workers / producers or other adequate means of communication).</p>		3	X	X	X	X
MUST Year 1	EMP-30	Records of expenses	<p><i>Must be met once Fund money has been used</i></p> <p>The records of expenses paid from the Fund money correspond satisfactorily to the amount spent as per bookkeeping and the activities reported in the annual Fund report.</p>		3	X	X	X	X
MUST Year 1	EMP-31	Effective use	<p><i>Must be met once Fund has been used</i></p> <p>The effective use of the Fair Trade Fund money is only for agreed projects by FDB and justified related expenses.</p>		4	X	X	X	X
MUST Year 1	EMP-32	Funded projects	<p><i>Must be met once Fund has been used</i></p> <p>The Fund's use is overall in line with the Fair for Life requirements (refer to table on the following page).</p>		3	X	X	X	X
MUST Year 1	EMP-33	Multiple FDB	<p>If there are multiple FDB, there are rules related to the way the Fund money will be distributed equitably among them, for instance according to sales volumes.</p>		3	X	X	X	X

DEVELOPMENT FUND USE

General objectives:

1. Improving individual capacities, knowledge and knowhow.
2. Improving livelihoods (income; working conditions; living conditions);
3. Empowering structures (governance, organization strengthening);
4. Improving the environment (resources, pollutions);
5. Improving techniques, materials and equipment;

General uses:

The Fair Trade Fund can be used to:

- finance any agreed projects which are intended for the beneficiaries as a group (collective projects).
- in exceptional cases, and only for Organized Producer Groups composed of a majority of Smallholders or for small entities, cover the Fund management expenses (including bank fees, attending meetings, etc.), as long as these expenses are
 - o reasonable and in line with the FT Diagnosis; and
 - o not the major expense of the Fund.

Specific situations:

For very large-sized farms / estates, the Fund shall not substitute the efforts and investments made previously as part of the CSR policy (see ELIG-8).

For certain Fund uses, additional conditions apply:

A. BUSINESS INVESTMENTS	B. RUNNING COSTS	C. INDIVIDUAL PAYMENTS	D. SECURITY FUND
<p>Business investments into infrastructures, equipments or materials (such as joint warehouse, new packing station, PPE, processing equipment, organic fertiliser production facilities, etc.), including on-farm, only if:</p> <ul style="list-style-type: none"> - Such investments benefit collectively to producers / workers as a group, and not to a sole individual; or - They are used in small entities; <p>See EMP-26 for financial conditions if substantial business assets are purchased.</p>	<p>Normally not intended for maintaining regular business operations or for covering running business costs (market prices to producers, legal minimum wages to workers, certification costs, extension and ICS. etc.).</p> <p><u>Exemptions:</u> Organized Producer Groups composed of a majority of Smallholders can use the Fund for paying totally or partially the organic and/or fair trade ICS</p> <p>In any other setting:</p> <ul style="list-style-type: none"> - the fund can be used to finance the organic ICS within the framework of a conversion plan to organic certification, for a maximum of 4 years; - the fund can be used to finance the fair trade ICS as long as the fair trade diagnosis (see POL-11) confirms that this is an effective way to answer specific needs (organization strengthening, follow-up of social and environmental improvements on farm, etc.). 	<p>Individual payments to producers only if:</p> <ul style="list-style-type: none"> - Very scattered producers; or - Smallholder producers with low income (due to low volumes of sold certified products). <p>And as long as the fair trade diagnosis (see POL-11) confirms that individual payment is an effective way to answer specific needs.</p> <p>Individual payments to workers as long as the fair trade diagnosis (see POL-11) confirms that individual payment is an effective way to answer specific needs (e.g. payment to migrant seasonal workers who may not be present after harvest and would therefore not benefit from funded collective projects).</p>	<p>Collective security fund (e.g. used in case of damages on crops, or of non-expected economic losses) as long as the fair trade diagnosis (see POL-11) confirms that this is an effective way to answer specific needs.</p>



7. RESPECT FOR THE CONSUMER

This section aims at describing the different actions held, at each level in the supply-chain, so that the final consumer of the product is not misled, and has access to transparent information on the origin of the product.

These actions include:

- the respect of traceability
- the respect of meaningful composition rules and of clear labelling rules
- transparent information on the outcomes of the Fair Trade Projects
- education and awareness about Fair Trade
- the non-inclusion, in the products, of ingredients known to be harmful to the consumer's health or to ecosystems

7.1. Marketing and Advertising Techniques

Principle: Honest marketing and advertising techniques are used.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-1	Communication materials - Certification	<p><i>For any communication material referring explicitly to the Scheme and/or CB:</i></p> <p>The Operation uses honest marketing and advertising techniques and does not provide misleading information about its activities and achievements with regard to the scope of the certification (see guidance).</p>	<p><i>Public communication materials referring explicitly to the Scheme and CB shall be sent to CB for prior approval.</i></p>	3	X	X	X	X

7.2. Traceability

Principle: Fair for Life products are traceable and are kept separate from any non-fair trade certified products at all stages of production and handling.

Fair for Life requires physical traceability and separation of fair trade products. Exceptions to these requirements will only be granted in exceptional circumstances and for a limited period (as described in Annex V).

In this whole section, certified products are those certified according to this standard, or recognized as equivalent according to procedure presented in Annex IV.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-3	No comingling	The certified products are not commingled with any non-certified products during handling, processing, storage or sales (i.e. separate bags, separate locations if not properly packed / identified, separate processing runs, etc.).	<p><i>In the case of an extraordinary short-term exceptions (Annex V), this shall also be respected for the substitution products. See CONS-9.</i></p>	2	X	X	X	X
MUST Year 1	CONS-4	Traceability	The flow of products is fully traceable from the reception of the certified products until their dispatch. This is done through specific procedures enabling to identify the certified products at all stages.	<p><i>In the case of an extraordinary short-term exceptions (Annex V), this shall also be respected for the substitution products. See CONS-9.</i></p>	3	X	X	X	X
MUST Year 1	CONS-5	Invoices	<p>The certification status of the product/service is clearly mentioned on invoices, labels (or accompanying documents) and delivery notes issued by the Operation, according to the rules set in Annex III.</p> <p>For multi-ingredient products, this includes the identification of the certified ingredients and the percentages of certified content (on labels or accompanying documents):</p> <ul style="list-style-type: none"> - FFL content out of total weight And - specific FFL content based on a calculation other than total weight, according to the sector, see Annex I. 	<p><i>For Producer Operations, this is required for sales between the Producer operation and its FFL certified or registered buyers, but not for sales within the Producer operation.</i></p> <p><i>Producer Operations and Conveyors must not make reference to the FFL certified quality of the ingredients/products on transaction documents to buyers which are neither FFL certified nor registered (see Annex III).</i></p>	2	X	X	X	X
MUST Year 1	CONS-6	Suspension / Withdrawal	If the Operation's certificate has been suspended or withdrawn, the Operation has informed its relevant trading partners, deleted all references to the Scheme on the products sold, as well as any commercial or communication documents from the date of application of the sanction.		2	X	X	X	X

Operations concerned			All operations						
Additional clarifications			The below criteria apply only to FFL Operations receiving certified products from other separately certified entities (i.e. apply to Producer operations only if they are sourcing from other certified operations).						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
		Suppliers' conformity	The compliance of suppliers and of the ingredients supplied is proved by sufficient guarantees:						
MUST Year 1	CONS-7	a)	- Confirmation of valid registration or valid certification document (see guidance)	<i>Scheme Certificate or Scheme confirmation of registration. In case of "Other Schemes" recognized suppliers:</i> - Confirmation of recognition issued by CB (see Annex IV) - Other Scheme certificate or identification number - Check of certification status on other scheme website	2	X	X	X	X
MUST Year 1	CONS-8	b)	- Reference of certified status on invoice, labels (or accompanying documents) and delivery notes - For multi-ingredients products, identification of certified ingredients and percentages of certified content (on labels or accompanying documents): - FFL content out of total weight And - specific FFL content based on a calculation other than total weight, according to the sector, see Annex I.	<i>This can be dealt with by a mention linked to the standard approval, with a clear link with the certified products. Final consumer labels: see CONS-14.</i>	2	X	X	X	X
		Extraordinary short-term exception	In exceptional circumstances (extraordinary stock disruptions) and under specific conditions defined in Annex V, the Operation can be granted a temporary exception to replace certified products by substitute non-certified products. In such cases:						
MUST Year 1	CONS-9	a)	- The Operation presents the formal short-term authorization granted by the CB - Once owned by the Operation, the substitute products respect the traceability and separation measures described in CONS-3 and CONS-4		2	X	X	X	X
MUST Year 1	CONS-10	b)	Upon request, the Operation will give BtoB or BtoC information about: 1) the origin of the substitute products 2) the product lots concerned by the substitution		2	X	X	X	X
		Subcontractors' conformity	The compliance of subcontractors and of their activities is proved by sufficient guarantees:						
MUST Year 2	CONS-11	a)	- Confirmation of valid registration or valid certification document	<i>Simplified registration process for low activity / low risk (see separate Certification Process): in this case, registration can be done during audit of contractor, through submission of adequate proofs that traceability and social & environmental aspects are adequately monitored.</i>	2	X	X	X	X
MUST Year 1	CONS-12	b)	- Reference of certified status on invoice, labels (or accompanying documents) and delivery notes - For multi-ingredients products, identification of certified ingredients and percentage of certified content (on labels or accompanying documents)	<i>This can be dealt with by a mention linked to the standard approval, with a clear link with the concerned services. Final consumer labels: see CONS-14.</i>	2	X	X	X	X

Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-13	Sales report	The Operation has records including the exact quantities of certified products sold to each of its Fair Trade Partners / Conveyors.	<i>This enables to cross-check information related to the amounts of the Development Fund to be paid by the respective Fair Trade Partners / Conveyors.</i>	3	X	X	X	

Operations concerned			Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-14	Final consumer labels	Any final consumer labels have been approved by the CB and comply with the labelling rules indicated in Annex I.	<i>See Annex I.</i>	2	X	X	X	X

7.3. Minimum Thresholds of Certified Ingredients

Principle: Product composition rules described in Annex I are respected.

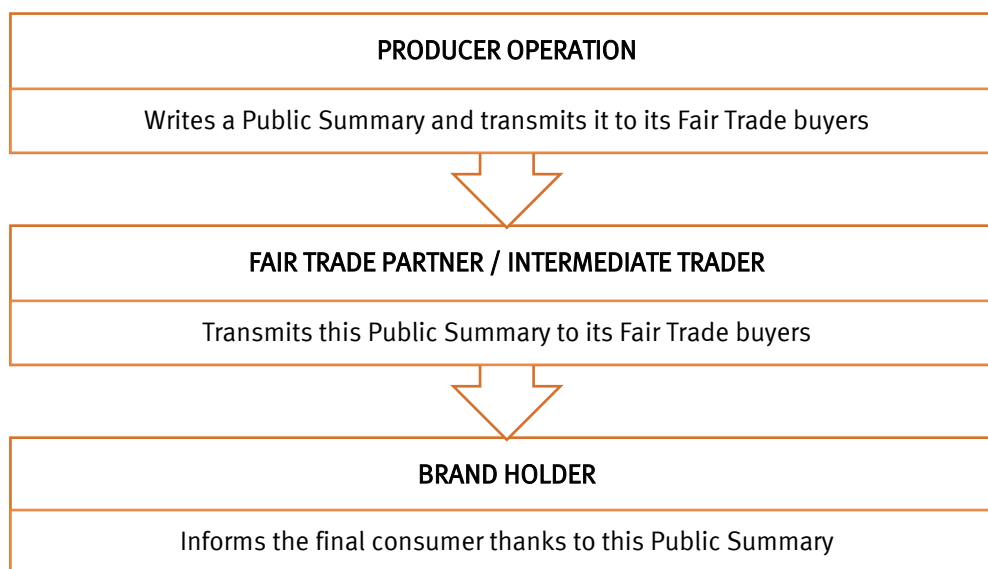
Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-15	Composition sheets	If any multi-ingredient product is to be certified: there are complete recipe sheets or composition tables and the certification status of each ingredient is known.		2	X	X	X	X
MUST Year 1	CONS-16	Composition thresholds	Minimum thresholds of certified ingredients presented in Annex I have been verified for each multi-ingredient product.	<i>For handicraft products, the certified content will be calculated on a case by case basis, depending on the used raw materials (see TRAD-53).</i>	2	X	X	X	X

Operations concerned			FFL: All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-17	Key ingredients	For multi-ingredient certified products where some ingredients that "must be Fair Trade" are non-certified, a 3-year action plan to convert them into certified ingredients is defined and respected (see Annex I).		2	X	X	X	X

7.4. Transparency Regarding Fair Trade Supply-chain and Impacts

Principle: Truthful information on the fair trade impacts at producer level is provided to the consumer.

In order to ensure that the consumer has access to truthful information, which has been checked by the CB, a mechanism to share public information and avoid confidentiality problems is set within the Fair Trade supply-chains:



Operations concerned			FFL: Producer operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-18	Public Summary – Writing	<p>The Producer operation writes and regularly updates a Fair Trade public summary containing at least the below information:</p> <ul style="list-style-type: none"> - Name of the Producer operation (unless confidentiality issues impede that it is done) - Location - Organizational form (Organized Producer Group, Contract Production Company, etc.) - Brief characterisation (number of workers / producers, main activities, etc.) - Once Fair Trade Fund has been used, overview on Fair Trade Fund activities, including brief overview on decision process. <p>The Producer operation transmits this report (and its updates) to its Fair Trade Partners and to the CB, and authorizes any user to share this public information (see guidance).</p>	<p><i>This information will be shared within the supply-chain, even in long supply-chains where the Fair Trade Partner is not a Brand Holder (see CONS-20).</i></p>	4	X	X	X	X

Operations concerned			FFL: Fair Trade Partners and Intermediate Traders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-19	Public summary – Transmission	The Operation transmits to its buyers the public summary (and its updates) received from its Producer operation suppliers (see CONS-18).		4	X	X	X	X

Operations concerned			FFL: Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 3	CONS-20	Information on supply-chain	The Operation provides public truthful and transparent information about its Fair Trade supply-chains by communicating on its website or through other media. This information contains: - for each Producer operation involved in his fair trade supply-chains, information about the Fair Trade activities and impacts (that shall be based on Public Summary information, see CONS-18); - basic and general information on the role and position of the Brand Holder in the supply-chains. <i>(see guidance for possible amendments)</i>	<i>When the Brand Holder is involved in many supply-chains, the description about the Fair Trade activities and impacts can be done at a more general level (e.g. one general description of the different supply-chains, with the different locations / main activities / fund use).</i>	4	X	X	X	X

7.5. Education and Awareness about Fair Trade

Principle: Brand Holders provide an interface with the public and as such, should be involved in education, information and promotion activities regarding the Fair Trade movement.

Operations concerned			FFL: Brand Holders						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 4	CONS-21	Awareness	The Operation organizes, participates or relays campaigns aimed at raising awareness and educating the target audiences (public, companies, policy makers, etc.) on Fair Trade matters and documents these activities.	<i>This can be done through membership in Fair Trade networks or through individual involvement in events or in the promotion of campaigns.</i> <i>For small entities, this can take the form of general information around the Fair Trade concept on their website or through other media.</i>	4	X	X	X	X

7.6. Characteristics of non-certified ingredients

Principle: The operation proposes certified products that are as natural as possible. The characteristics of the non-certified ingredients are in line with the standard principles of environmental sustainability and respect for the consumer.

Operations concerned			All operations						
Additional clarifications			These criteria apply in the case of multi-ingredient products. Organic and COSMOS certificates can be accepted as adequate proofs of compliance.						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	CONS-23	GMO	The Operation does not add ingredients that are GMOs to the certified ingredient(s).	<i>This will be proven through a declaration that the original plants used in the non-certified ingredients have not been genetically modified.</i>	4	X	X	X	X
MUST Year 4	CONS-24	Processing aids and additives in food	The use of processing aids and additives in the certified food products is limited: - They are used only if they are essential; - No monosodium glutamate (MSG) and artificial sweeteners are used.		4	X	X	X	X
MUST Year 4	CONS-25	Synthetic ingredients in Cosmetics	100% synthetic components are forbidden, except for the following 5 preservatives : - Benzoic Acid and its salts - Benzyl Alcohol - Salicylic Acid and its salts - Sorbic Acid and its salts - Dehydroacetic Acid and its salts These ingredients as well as partially synthetic ingredients are used only if they are essential.		3	X	X	X	X



8. MANAGING CERTIFICATION AND PERFORMANCE

This part explains how certified companies / organizations shall adapt their functioning in order to manage the compliance of operations and products, and to gradually improve their performance.

For all operations, this includes a good preparation of external audits, and transparency with the CB prior to and during the audit.

For Producer operations, this is done through the implementation of an Internal Control System, i.e. the implementation of a regular internal monitoring, adjusted to the risks of the activities under the scope of the certification.

8.1. Conditions of External Audits

Principle: The Operation provides access to information, people and premises. It is aware of the applicable standard requirements.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	MAN-1	Contact person	The Standard coordinator (or his/her representative) is present during the audit.	<i>Standard coordinator = Primary contact appointed by the operation for any certification issue related to the Standard implementation.</i>	2	X	X	X	X
MUST Year 1	MAN-2	Free Access	The auditor has unrestricted access to all premises, documentation and is free to interview the staff.		2	X	X	X	X
MUST Year 1	MAN-3	Activity description	The activity and certification scope have been properly communicated to the certification body, as well as any related changes. This includes clarification about parallel production and multi-site policy (see ELIG-10 and ELIG-11).	<i>In particular: - all stages of production, storage and processing carried out - concerned products - concerned suppliers / buyers and subcontractors have to be disclosed.</i>	2	X	X	X	X
		Information workers / producers	The company / organization management has a process in place to:						
MUST Year 2	MAN-4	a)	Inform the workers / producers about their right to discuss information with the auditor confidentially (e.g. information displayed before audit; information meetings).		2	X	X	X	X
MUST Year 2	MAN-5	b)	Adequately inform workers / producers on audit findings and the outcome of the certification process.	<i>The communication channel used must be adequate and accessible to the workers and producers, e.g. written information displayed; information meetings). As part of this process, workers / producers' representatives can be invited to the exit meeting.</i>	2	X	X	X	X
BONUS	MAN-6	Representatives in opening meeting	The opening meeting includes workers' and/or Producers' representatives.		2	X	X	X	X

8.2. Follow-up of Certification and Performance

Principle: The Operation takes the necessary management steps to improve its fair trade performance.

Operations concerned			All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	MAN-7	Standard knowledge	The Operation is aware of the certification requirements and of its own level of compliance against the standard.	<i>Updated version of standard available. Self-assessment according to the standard, or good understanding of standard's requirements.</i>	2	X	X	X	X
MUST Year 2	MAN-8	Monitoring non-compliances	There is a system in place to register and monitor non-compliances observed during external audits.		3	X	X	X	X
KO	MAN-9	Systemic faults	The Operation has not been subject to repetitive / intentional / numerous non-compliances covering core aspects of the standard.		2	X	X	X	X

Operations concerned			FFL: Producer operations; FL: All operations						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 2	MAN-10	Senior Representative	There is a designated representative with sufficient management power responsible for certification and performance according to the Standard.		4		X	X	X
MUST Year 2	MAN-11	Workers' representative	There is a procedure in place to make sure that workers' concerns related to the certification are known to the management and addressed during the certification. Ideally, there is an elected workers' representative responsible for certification and performance according to the Standard (see guidance).	<i>The workers' representative is chosen by non-management staff to facilitate communication with company management on matters related to certification. Typically, this workers' representative is invited in the opening meetings (see MAN-6).</i>	4		X	X	X

8.3. Internal Control System

Principle: Producer operations develop an Internal Control System that monitors implementation of standard principles and requirements.

Operations concerned			Producer operations – Contracted / Organized Production						
Level	Ref.	Key words	Criteria	Clarification / Guidance	Max. Points	S	M	L	O
MUST Year 1	MAN-12	List of registered producers	<p>Year 1: Paper list can be accepted Year 2: List needs to be electronic</p> <p>The Producer operation has a complete list of all registered producers with at least:</p> <ul style="list-style-type: none"> - year of registration - names - place - size of production entity: total / used for certified product (see Guidance 1) - diversification (i.e. whether other non-certified products are produced or not) - type of workers (seasonal, permanent) hired by producer, if any - identification of medium and large-sized entities (see Guidance 2) 	<p>1) The size of the production entity must be defined in an adequate way depending on the product (livestock / crop / wild collection / handcraft). It can be accompanied by yield estimates.</p> <p>2) Any medium and large-sized producer (generally those hiring more than 5 permanent / 25 workers in total) are listed in the producer list.</p> <p>In general, this list shall monitor risks at producer level, and enable to select the producers that will be visited during either internal or external inspections.</p> <p>In a second step, this list can be completed with more accurate data, and serve as a summary of the results of the internal controls performed by the Producer operation about the individuals' compliance with the standard.</p>	3	X	X	X	X
MUST Year 1	MAN-13	Identification of critical issues / areas of improvement	<p>The Producer operation has identified the main critical local issues linked to the compliance with the standard in terms of:</p> <ul style="list-style-type: none"> - working conditions at producer level; - environmental aspects at producer level. <p>When social and environmental risks are low for all registered producers (see guidance), these critical issues may take the form of identified areas of improvement.</p>	<ul style="list-style-type: none"> - Low environmental risks at producer level: organic certification, or no chemicals used - Low social risks at producer level: very good labour regulations / protections and no identified specific risks (migrant workers, etc.), and/or Smallholders producers hiring very few workers (including seasonal) and no identified specific risks (child labour, etc.). 	3	X	X	X	X
MUST Year 2	MAN-14	Internal standard	<p>An internal standard exists which includes the identified critical issues / areas of improvement (see MAN-13) that need to be monitored under this standard at each Producer level. If there already exist some internal charters / standards (organic certification or other quality approach), these can be considered as appropriate as long as they cover / they are amended with the abovementioned aspects.</p>	<p>The internal standard is commensurate with the greater or lesser risk of the local context, including in terms of applicable social and environmental legislations.</p>	3	X	X	X	X
		Basic ICS	A basic ICS is in place, which includes the following:						
MUST Year 1	MAN-15	a)	Appointed and competent ICS staff responsible for the overall management of the ICS.		3	X	X	X	X

MUST Year 2	MAN- 16	b)	Basic general and social / environmental / labour relevant data on producer level, regularly updated: - number of workers typically hired, - important data related to the follow-up of specific environmental aspects.	<i>For homogeneous situations (where the environment and the socio-economic situations of producers are roughly similar), all the information about Producers does not need to be individual. These data can be included directly in the producer list (see MAN-12).</i>	3	X	X	X	X
MUST Year 3	MAN- 17	c)	Risk-based internal inspections, with: - at least 1 inspection per year for Large and Medium Entities - at least 1 inspection every 3 years for Small Entities. <i>Specific exemptions can be requested (see guidance).</i>	<i>When the 3 below conditions are met: -the majority of Producers are certified organic -sectors / countries present low social risk - there is a certain level of homogeneity amongst the producers The Producer operation can suggest other methods of internal control and monitoring, including the proposal of an adequate cycle of visits. In all cases, larger entities must be subject to regular internal inspections.</i>	3	X	X	X	X
MUST Year 2	MAN- 18	d)	An improvement system for non-compliances, with written improvement plans for critical issues.		3	X	X	X	X

ANNEX I: COMPOSITION RULES

This annex describes the composition rules to be respected in order to label a product under the Fair for Life Scheme.

“Certified ingredients” are Fair for Life Fair Trade certified ingredients or ingredients recognized as equivalent according to procedure presented in Annex IV.

Rule 1: Minimum thresholds of Fair Trade ingredients

The fair-trade content shall respect minimum thresholds. Those thresholds differ depending on concerned sectors, and depending on the labelling category.

	Category “Fair Trade Products”	Category “Made with Fair Trade ingredients”
FOOD	At least 80% of AGRICULTURAL INGREDIENTS must be certified ⁽¹⁾	At least 20% of AGRICULTURAL INGREDIENTS must be certified ⁽¹⁾
COSMETICS / DETERGENTS / HOME PERFUMES	At least 80% of AGRICULTURAL INGREDIENTS EXCLUDING COMPLEX CPAI must be certified ^{(1) (2)} AND At least 10% of the TOTAL PRODUCT must be certified ⁽³⁾	At least 20% of AGRICULTURAL INGREDIENTS EXCLUDING COMPLEX CPAI must be certified ^{(1) (2)} AND At least 5% of the TOTAL PRODUCT must be certified ⁽³⁾
TEXTILES	At least 70% of FIBRES must be certified	At least 20% of FIBRES must be certified
ARTISANAL PRODUCTS	At least 70% of the COMPONENTS can be considered as certified (based on an individual analysis of the supply and production chain)	At least 20% of the COMPONENTS can be considered as certified (based on an individual analysis of the supply and production chain)

(1) Salt, minerals and other non-agricultural ingredients can be certified, though very rarely. This is why, as a general rule, they are excluded from the calculation method. It is only when such ingredients are certified that they will be included in the calculation.

(2) Complex CPAI (Complex Chemically Processed Agricultural Ingredients, see Section “Terms and Definitions”) can be certified, though very rarely. This is why, as a general rule, they are excluded from the calculation method and not considered certifiable. It is only when such ingredients are certified that they will be included in the calculation.

(3) On an exceptional basis, lower percentages can be accepted for this 2nd threshold (on the total product) for rinse-off products, non-emulsified aqueous products, and products with at least 80% minerals or ingredients of mineral origin, after approval by CB.

For aqueous extracts, given the weight loss during the process, the final output weight is considered for this second percentage instead of the total input weight. If dried plant material is used, the fresh equivalent is calculated using the following ratios:

Wood, bark, seed, nuts and roots	1 : 2,5	Fruits (e.g. apricot, grape)	1 : 5
Leaves, flowers and aerial parts	1 : 4,5	Watery fruit (e.g. pineapple, orange)	1 : 8

If such thresholds are not respected, the certified ingredients can be indicated, but only in the ingredient statement (See Annex II, “Ingredient Statement Only” case).

Rule 2: “No blending” rule

Each certified ingredient shall normally be used only in certified quality in a given product (no mixing with the same non-certified ingredient).

If this is not possible, an exception can be granted for a transitory period (see last section).

Rule 3: Ingredients that must be Fair-trade

Some ingredients are considered to be available in fair trade form in sufficient quantity and quality and therefore must normally be certified. Fair for Life keeps an up-to-date and evolving list of ingredients that “must be fair trade”. This list is available on the Fair for Life website.

If it is not possible to use one of the listed ingredients, an exception can be granted for a transitory period (see last section).

Exceptions to rules 2 and 3

Exceptions to rules 2 and 3 are possible, subject to the following conditions:

- i. A written application for exception with detailed justification shall be submitted;
- ii. Exception to rule 2 is mainly accepted for technical constraints (non-certified blended ingredient has a particular physical / organoleptic / chemical characteristic and property that is required);
- iii. Exception to rule 3 accepted only based on a 3-year plan to have the non-certified concerned ingredient converted into a “certified ingredient” (see CONS-17), with the possibility to re-apply for an exception.

ANNEX II: LABELLING RULES

The following rules must be respected to label **final consumer certified products**. They are linked to the minimum thresholds defined in Annex I.

General rules

	Category 1: Fair Trade	Category 2: Made with Fair Trade ingredients
I. Approval Mention	<ul style="list-style-type: none"> “Fair Trade certified according to the Fair for Life standard” OR, for small packaging “Fair for Life Fair Trade certified” 	<p>Clearly linked to the certified ingredients AND in back / side panel:</p> <p>a) “Fair Trade certified according to the Fair for Life standard” OR, for small packaging</p> <p>b) “Fair for Life Fair Trade certified”</p> <p>Not clearly linked to the certified ingredients OR in front panel:</p> <p>a) “Made with Fair Trade ingredients certified according to the Fair for Life standard” OR, for small packaging</p> <p>b) “Made with Fair for Life Fair Trade certified ingredients”</p>
I bis. Fair for Life website	<p>Recommended but optional:</p> <ul style="list-style-type: none"> Approval mention ends with “available at www.fairforlife.org” or is associated with “Visit www.fairforlife.org to learn more”. 	<p>Recommended but optional:</p> <ul style="list-style-type: none"> Approval mention ends with “available at www.fairforlife.org” or is associated with “Visit www.fairforlife.org to learn more”.
II. Identifying certified ingredients	<ul style="list-style-type: none"> 3 options, to be chosen depending on applicable labelling regulations in the concerned country/market: a) Asterisk (or other marking) referring to approval mention b) “Fair Trade certified” / “Fair Trade” / “Fair for Life” together with ingredient mention c) Approval mention ending or beginning with disclosure of certified ingredients 	<ul style="list-style-type: none"> 3 options, to be chosen depending on applicable labelling regulations in the concerned country/market: a) Asterisk (or other marking) referring to approval mention b) “Fair Trade certified” / “Fair Trade” / “Fair for Life” together with ingredient mention c) Approval mention ending or beginning with disclosure of certified ingredients
III. Certified content	<ul style="list-style-type: none"> “XX % of the total ingredients are Fair Trade certified” Alternatively, the mention can be <u>replaced</u> by the following mentions: For food: “XX % of the agricultural ingredients are Fair Trade certified” For textiles: “XX % of the total fibres are Fair Trade certified” For cosmetics/detergents/home perfumes the approval mention can be <u>accompanied</u> by a second mention (e.g. “XX% of the agricultural ingredients, or of the total ingredients excluding salt, water and minerals”). Other similar wordings can be accepted provided that they clearly reflect the calculation of the certified content 	<ul style="list-style-type: none"> “XX % of the total ingredients are Fair Trade certified” Alternatively, the mention can be <u>replaced</u> by the following mentions: For food: “XX % of the agricultural ingredients are Fair Trade certified” For textiles: “XX % of the total fibres are Fair Trade certified” For cosmetics/detergents/home perfumes the approval mention can be <u>accompanied</u> by a second mention (e.g. “XX% of the agricultural ingredients, or of the total ingredients excluding salt, water and minerals”). Other similar wordings can be accepted provided that they clearly reflect the calculation of the certified content
IV. Reference to Fair Trade	<ul style="list-style-type: none"> If an ingredient that is part of the product designation is not certified Fair Trade quality, the terms “Fair Trade” OR “Fair Trade Certified” OR “fair for Life” cannot be used in the product designation See Annex III for other restricted claims 	<ul style="list-style-type: none"> Reference can be associated to fair trade ingredients only, e.g. “Made with Fair Trade [Name of the concerned ingredient(s)]” In front panel, reference is not more prominent (in terms of colour, size, and style size) than other product description text See Annex III for other restricted claims
V. Origin of certified ingredients	<p>Highly recommended but optional:</p> <ul style="list-style-type: none"> Mention the country of origin for the certified ingredients 	<p>Highly recommended but optional:</p> <ul style="list-style-type: none"> Mention the country of origin for the certified ingredients
VI. FFL seal	<ul style="list-style-type: none"> Respect of separate graphic guidelines 	<ul style="list-style-type: none"> Respect of separate graphic guidelines
VII. Position of the FFL seal	<ul style="list-style-type: none"> The seal can be used anywhere on the packaging 	<ul style="list-style-type: none"> The seal can be used: <ul style="list-style-type: none"> a) Back or side panel only b) With Fair Trade content (see III) displayed on the same panel Exemption from a): The seal can be used in front panel provided that the 3 below conditions are met: <ul style="list-style-type: none"> - at least 50% of the certifiable ingredients are certified; and - the remaining other certifiable ingredients are not available as certified ingredients OR not in adequate quantities and of appropriate quality - the Fair Trade content is displayed visually close to the seal
VIII. Other seals	<ul style="list-style-type: none"> No other seal than the FFL seal must be printed close to the approval mention (possible exemptions for small packaging) 	<ul style="list-style-type: none"> No other seal than the FFL seal must be printed close to the approval mention (possible exemptions for small packaging)

TABLE EXPLANATIONS / GLOSSARY:

- **Certifiable ingredients:** Food = Agricultural ingredients; Cosmetics = All ingredients excluding water, salt and minerals; Textile = All fibres; Handicraft = All components. See exemptions for salt and non-agricultural ingredients in Annex I.
- II and III are optional if Fair Trade content (calculated on all ingredients, excluding water) = 100%.
- **Front panel:** Principal display panel; **Back or side panels:** Secondary display panels.

Condensed versions

Condensed versions of the above mentions can be used if they are disclosed in a specific / dedicated frame or space.

- Texts in grey font are optional.
- For the “Made with Fair Trade ingredients” category, this specific frame shall be close to the ingredient statement on the back / side panel OR shall begin with “Made with”.

Option II.a. Asterisk (or other marking) referring to approval mention

* Fair Trade certified according to the Fair for Life standard: XX% of the total ingredients.
Origin: YY, ZZ. Visit www.fairforlife.org to learn more.

Label example:

MILK CHOCOLATE

INGREDIENTS: cocoa mass*; cocoa butter*; sugar*; milk; soy lecithin; vanilla*

* Fair trade certified according to the Fair for Life standard: 80% of the total ingredients. Origin: Nicaragua, Paraguay, Madagascar. Visit www.fairforlife.org to learn more.

Option II.b. “Fair Trade certified” together with ingredient mention

Fair Trade certified according to the Fair for Life standard: XX% of the total ingredients.
Origin: YY, ZZ. Visit www.fairforlife.org to learn more.

Label example:

MILK CHOCOLATE

INGREDIENTS: Fair trade certified cocoa mass; Fair trade certified cocoa butter; Fair trade certified sugar; milk; soy lecithin; Fair trade certified vanilla.

Fair Trade certified according to the Fair for Life standards: 80% of the total ingredients. Origin: Nicaragua, Paraguay, Madagascar. Visit www.fairforlife.org to learn more.

Option II.c. Approval mention ending or beginning with disclosure of certified ingredients

AA (Origin YY), BB (Origin ZZ), Fair Trade certified according to the Fair for Life standard: XX% of the total ingredients. Visit www.fairforlife.org to learn more.

Label example:

MILK CHOCOLATE

INGREDIENTS: cocoa mass; cocoa butter; sugar; milk; soy lecithin; vanilla.

Cocoa (Nicaragua), sugar (Paraguay), vanilla (Madagascar), Fair trade certified according to the Fair for Life standard: 80% of the total ingredients. Visit www.fairforlife.org to learn more.

With:

AA, BB: Name of the concerned ingredients;

YY, ZZ: Geographical origin of ingredients;

XX: % of certified content, indicated here on the total of ingredients (other calculation methods and wordings possible, see above III. Certified content).

“Ingredient Statement Only” case

- No seal permitted
- Certified ingredients are identified in the ingredient statement through an asterisk (or another similar marking)
- Reference to certified quality can be made only as a footnote to the ingredient statement in the form: **Fair for Life Fair Trade certified ingredient (XX% of all ingredients)*
- The indication must appear in a colour, size and style of lettering which is not more prominent than the rest of the ingredient statement

Other languages

	English	Spanish	French
I. Approval Mention – Fair Trade	<ul style="list-style-type: none"> “Fair Trade certified according to the Fair for Life standard” <i>Or for small packagings:</i> “Fair for Life Fair Trade certified” 	<ul style="list-style-type: none"> “Certificado como Comercio justo conforme al estándar Fair for Life” <i>Or for small packagings:</i> “Certificado Comercio justo - Fair for Life” 	<ul style="list-style-type: none"> “Commerce équitable contrôlé selon le référentiel Fair for Life” <i>Or for small packagings:</i> “Commerce équitable contrôlé Fair for Life”
II. Approval Mention – Made with Fair Trade	<ul style="list-style-type: none"> “Made with Fair Trade ingredients certified according to the Fair for Life standard” <i>Or for small packagings:</i> “Made with Fair for Life Fair Trade certified ingredients” 	<ul style="list-style-type: none"> “Elaborado con ingredientes certificados como Comercio justo conforme al estándar Fair for Life” <i>Or for small packagings:</i> “Elaborado con ingredientes certificados Comercio justo - Fair for Life” 	<ul style="list-style-type: none"> “Contient des ingrédients équitables contrôlés selon le référentiel Fair for Life” <i>Or for small packagings:</i> “Contient des ingrédients équitables contrôlés Fair for Life”
Ibis. Fair for Life website	<ul style="list-style-type: none"> “[...] available at www.fairforlife.org” / “Visit www.fairforlife.org to learn more” 	<ul style="list-style-type: none"> “[...] disponible en www.fairforlife.org” / “Visite www.fairforlife.org para mayor información” 	<ul style="list-style-type: none"> “ [...] disponible sur www.fairforlife.org” / “Plus d’informations sur www.fairforlife.org”
II. Identification of certified ingredients	<p>Option b:</p> <p>“Fair Trade certified” / “Fair Trade” / “Fair for Life”</p>	<p>Option b:</p> <p>“Certificado como Comercio justo” / “De Comercio Justo” / “Fair for Life”</p>	<p>Option b:</p> <p>“Contrôlé équitable” / “Équitable” / “Fair for Life”</p>
III. Certified content	<ul style="list-style-type: none"> “XX % of the total ingredients (or of the agricultural ingredients, or of the total fibers) are Fair Trade certified” 	<ul style="list-style-type: none"> “XX % del total de ingredientes (o de los ingredientes de origen agrícola o del total de fibras) certificados como Comercio justo” 	<ul style="list-style-type: none"> “XX% du total des ingrédients (ou des ingrédients agricoles, ou du total des fibres) sont issus du commerce équitable”

ANNEX III: COMMUNICATION RULES

These rules apply to any stakeholder who wishes to make reference to the certification and/or the Scheme and to any materials issued for external communication purposes such as sustainability reports, catalogues, samples, product description, advertisements, websites, labels, etc. If such materials display the seal or any type of references to the certification and/or the Scheme, they must be submitted to the CB for approval prior to release.

All operations

Certain statements are not permitted:

- The seal and any reference to the certification may only be associated with certified products.
- For texts containing a reference to the status or type of a Producer operation, there must not be any ambiguous content (e.g. contract companies or industrial plantations / commercial farms may not be referred to as "cooperatives" or "organized producer group" or other similar expressions).

Producer Operations

For Producer Operations, additional rules apply for the claims of the FFL certified quality of ingredients/products made in transaction documents such as wholesale labels, technical datasheets, instructions, invoices, delivery receipts, etc. (see CONS-5):

- Attribution of the FFL certified quality to the sold product in transaction documents is only allowed for sales to FFL certified Fair Trade Partners or FFL certified or registered Conveyors; and
- For sales to entities that are not FFL certified or registered, only claims regarding the valid FFL certification and/or registration of the Producer Operation and/or the FFL Conveyor are allowed. The claims must not be linked to the sold products/batches and must not create the impression that the sold ingredients/products are FFL certified.

Special cases and restrictions

Additional rules apply to entities that:

- 1) have not contracted with the CB, but are included in the certificate of a certificate holder (such as Producers within a Producer Operation);
- 2) are registered (such as registered subcontractors, intermediate traders, etc.); or
- 3) have not contracted with the CB, but wish to make general mention of the scheme or claims on their sourcing in corporate communication (e.g. sustainability reports, website etc.), publications etc.

1) Entities included in the certificate of another Operation

Entities included in the certificate of other Operations (e.g. Producers within a Producer Operation) are not allowed to communicate information externally about the certification, except as authorised by the related certificate holder.

Still, they can use the seal or refer to the certification for ensuring product traceability. This may be displayed on transaction documents such as wholesale labels, technical datasheets, instructions, invoices, delivery receipts, etc. issued exclusively within the certified supply-chain.

2) Registered entities

Registered entities may use the seal or refer to the registration / the scheme on transaction documents such as wholesale labels, technical datasheets, instructions, invoices, delivery receipts, etc. for the purpose of ensuring product traceability.

Exceptions:

- **Conveyors** may only indicate the FFL certified quality on transaction documents to FFL certified Fair Trade Partners.

- **Subcontractors** may only indicate the FFL certified quality on transaction documents to FFL certified or registered operations.

For corporate communication, the same rules as for third parties apply (see Section 3 below). In addition, registered operations that are directly contracted with the CB may use the following mention to inform on their registration:

Registered according to the Fair for Life Standard and authorized to handle products within Fair for Life certified supply-chains

or

Registered for Fair for Life certified supply-chains

If the FFL seal is used, it must be placed close to this mention.

3) Non-committed entities

Entities that are not committed with a CB for registration or certification may make reference to the scheme only after contractually committing with Ecocert as scheme owner to respect the rules of logo use defined by the Scheme.

Example: non-certified buyers, supporting organizations, partners etc.

As a general rule, operations that purchase directly or indirectly from FFL certified and/or registered operations but are themselves neither FFL certified nor registered, may only communicate on the certification status of their direct and indirect suppliers.

Claims may be done in their corporate communication only.

Only if the ingredients/products are purchased in FFL certified quality (i.e. the direct supplier is certified or registered AND there is a certified Fair Trade Partner upstream), they may also claim that the purchased ingredients/products are FFL certified.

Use of the FFL seal is permitted within the rules of logo established by the Scheme.

The communication must not create the impression that the ingredients/products SOLD by the third party are FFL certified.

ANNEX IV: RECOGNITION OF OTHER SCHEMES

A Fair for Life certified operation can request the recognition of an ingredient which is certified according to another Fair Trade scheme.

Recognition may only be granted if the supplier is certified according to a recognized Fair Trade scheme AND is not, in parallel, also certified with Fair for Life. If the supplier is also certified with Fair for Life, then it is the supplier who must request recognition of the ingredient according to Fair for Life.

For the recognition of an ingredient, a specific procedure must be followed.

Mutual recognition agreements may be signed between the concerned schemes / CB, defining simplified / amended rules for dealing with those cases. Such agreements prevail over this annex.

Recognized schemes

The recognized fair trade schemes, under the Fair for Life scheme are:

- **FLO**
- **FairWild**
- **SPP**
- **Fair Trade USA**
- **Naturland Fair**

Overall, these standards respect the key characteristics as identified by Fair for Life:

1. beneficiaries are primarily Smallholders;
2. fair trade pricing covering production costs;
3. fair trade Fund / Premium for financing collective projects;
4. fair trade contracts;
5. third-party auditing schemes.

Fair for Life also values:

6. social and environmental responsibility along the entire supply-chain;
7. transparency towards the consumer;
8. physical traceability all along the supply-chain;

Given that:

- Some of the common core aspects (1 to 5) may only be partially covered by a given recognized scheme;
- FFL specific core aspects (6 to 8) are generally not covered by the recognized schemes;

The supplier's fair trade certificate is, by itself, not entirely sufficient, and other information is required and conditions apply.

Recognition procedure

› ELIGIBILITY OF CONCERNED INGREDIENTS

This recognition procedure applies to FFL operations requesting the recognition of ingredients certified under a different fair trade scheme that are:

- a) not available as certified ingredients; or
- b) available as certified ingredients, but not in adequate quantities and of appropriate quality; or
- c) supplied by a historical supplier for this ingredient (e.g. main supplier for at least 3 years); or
- d) originating from Organized Producer Groups composed of a majority of Smallholders.

› STANDARD REQUIREMENTS

“Direct suppliers” are certified under a different fair trade scheme and sell the concerned ingredients directly to the FFL operation (“FFL buyer”); In longer supply-chains, “Indirect suppliers” are certified under a different fair trade scheme and do not sell directly the concerned ingredients to the FFL operation.

Direct or indirect suppliers can be either Intermediate Traders or Producer operations. Subcontractors are not concerned. The information and elements required can be provided to the CB either directly by the Fair for Life buyer, or by his suppliers.

Requirements related to direct suppliers:

- a) A “FFL recognition form” shall be filled in by the direct supplier, confirming that the abovementioned core aspects (1 to 8) are covered;
- b) Adequate proofs that physical traceability is ensured between the direct supplier and its FFL buyer shall be submitted;
- c) In the sales contracts / partnership agreements between the FFL buyer and the direct supplier (see TRAD-6 to 8), the direct supplier shall commit to:
 - respect full physical traceability;
 - inform the Fair for Life buyer in case its fair trade certification is suspended or revoked;
- d) Additionally, if the direct supplier is a Producer operation, it shall commit to:
 - regularly report the FFL sales (if possible by including them in its general reporting of Fair Trade sales);
 - submit to the Fair for Life buyer and regularly update a public summary as presented in CONS-18;
- e) Additionally, if the direct supplier is an Intermediate Trader, it shall commit to:
 - from the third year following recognition, having gathered all the necessary elements related to the indirect suppliers (see below).

Requirements related to indirect suppliers:

- a) The other Fair Trade intermediate traders in the supply-chain shall be identified, and have filled in the “FFL recognition form”;
- b) The Producer operations in the supply-chain shall be identified, and:
 - Have filled the “FFL recognition form”;
 - Submit and regularly update a public summary as presented in CONS-18.

› **ADDITIONAL CHECKS**

Additional checks focusing on traceability, including “spot-check audits”, can be requested in the below cases:

All types of ingredients	Mass-balance ingredients*	Complex / numerous supply-chains
When documentation proving control on traceability (between direct supplier and FFL buyer) is unavailable or deemed insufficient by the CB, additional checks, including spot-check audits, may be required at least during the 1 st year. The frequency of audits thereafter is based on a risk analysis.	For mass-balance ingredients, in order to ensure that no commingling or mass-balance occurs all along the supply-chain, additional aspects need to be checked: <ul style="list-style-type: none"> ▪ Detailed description of the way physical traceability is ensured all along the supply-chain, from Producer operation to FFL buyer. ▪ Depending on risk analysis and based on this detailed description, additional checks, including spot-check audits, may be required in the supply-chain (at the level of direct or indirect suppliers), particularly when ingredients are not certified organic. 	The CB may strengthen this recognition procedure in case of supply-chains that are too complex to manage in the absence of a mutual recognition agreement for the given scheme, e.g. due to a large number of intermediate traders, or in case of a large number of supply-chains (i.e. Producer operations) certified under another scheme.

* **COCOA/SUGAR/TEA/JUICES** from FLO / FT USA chains or other commodities where a “mass-balance” system would have been accepted.

ANNEX V: EXTRAORDINARY TEMPORARY EXCEPTIONS

This annex describes the conditions under which an Operation may apply for an exceptional exemption in case of:

- *extraordinary disruptions in supply-chains;*
- *technical impossibility to ensure full physical traceability and separation.*

Reminder: “certified” ingredients are Fair for Life Fair Trade certified ingredients, or ingredients recognized as equivalent after having followed procedure presented in Annex IV.

Extraordinary disruptions in supply-chains

In case of extraordinary disruptions in established supply-chains, an Operation can apply for a short-term extraordinary exception to use “substitute” ingredients instead of certified ingredients, without effect on product labels. In the below section, the Fair for Life applicant requesting the exception is called the “Buyer”.

› DEROGATION REQUEST

The derogation request shall be submitted in writing by the Buyer and is subject to the following conditions:

- **Rationale:** The reasons of the disruption shall be extraordinary and cyclical (e.g. serious political unrests, climatic disasters like hurricanes, tsunamis, hail storms, crop failure well beyond regular harvest fluctuations, etc.);
- **Duration:** The duration of the derogation shall not exceed one year for a given ingredient / rationale;
- **Substitute ingredients:** The Buyer shall use its best efforts to search for and use substitute ingredients which are, in order of priority from 1 to 3:
 1. Certified under a recognized standard, listed in Annex IV
 2. Certified under an organic regulation
 3. Certified under a standard of “Good Agricultural Practices” as defined in 3.0
- **Compensation:** In cases 2 & 3, or in other cases, a compensation system must be introduced (e.g. for the payment of the Fair Trade Fund / Pricing differential for the corresponding quantities).

› DEROGATION FOLLOW-UP

Once the derogation has been granted, the below requirements shall be respected:

- Once the substitute ingredients have been purchased by the Buyer, they must be handled in the same way as certified ingredients, and in particular their traceability must be ensured in the same way (see CONS-9);
- If relevant, the compensation system is implemented;
- For transparency purposes: **upon request**, the Buyer provides detailed information about the derogation (see CONS-10).

Exceptions physical traceability

The standard requires physical traceability and separation (either physical or in time) of certified ingredients and products. Exceptions to this requirement will only be granted in exceptional circumstances and for a limited period to allow manufacturers a change of production and supply-chain management.

Unless the derogation is requested for a level of commingling inferior to 5%, the product labels will need to be modified.

› DEROGATION REQUEST

The derogation request shall be submitted in writing by the operation and is subject to the following conditions:

- **Rationale:** Technical dossier explaining the difficulties experienced and their impacts on physical traceability.
- **Action plan:** Unless the derogation is requested for a level of commingling inferior to 5%, an action plan (over a maximum period of 5 years) shall be established, presenting the objectives, actions, resources and deadlines for correction measures.
- **Commingled / substitute ingredients:** The commingled / substitute ingredients shall not impact the intrinsic quality of the sold product (e.g. fine quality product); therefore, the commingled / substitute ingredients and the concerned certified ingredients shall be equivalent and mutually substitutable.

› DEROGATION FOLLOW-UP

Once the derogation has been granted, the below requirements shall be respected:

General requirements:

- A mass-balance system shall be respected on a per-site basis (at a given site, purchased certified quantities are not superior to quantities sold as certified, after accounting for all processing losses);
- The acquisition of certified ingredients shall precede the delivery of the products sold with reference to Fair for Life;

Additional Requirements (do not apply if the derogation is requested for a level of commingling inferior to 5%):

- Regular updates about the implementation of the action plan to be submitted to the CB (according to a frequency determined by the CB, at least annually)
- For transparency purposes:
The labelling rules related to final consumer product presented in Annex II are adapted as described below:

AA, BB, Fair Trade approved according to the Fair for Life standard: XX% of all ingredients, following a transitory mass-balance approach for AA

With:

AA, BB: Name of the concerned ingredients (including those not subject to derogation); AA: Name of the ingredient subject to derogation.

XX%: % of certified content, indicated here on the total of ingredients (other calculation methods and wordings possible, see III. Certified content in Annex II).

Other similar wordings can be accepted upon request.

Recommended but optional:

The operation publishes detailed information about the derogation (on-line information updated annually, presenting the rationale behind the derogation, and the progress with respect of the action plan) and displays the corresponding link on the product label:

More information at [www.]

With:

[www.]: webpage where detailed information about the exceptional derogation can be found

ANNEX VI: FAIR TRADE FUND AMOUNT EXCEPTIONS

This Annex details the conditions and procedures for accepting an exemption to the Standard Fund Amount specified in TRAD-45.

The request for exemption must be submitted jointly or in a parallel process by the Fair Trade Partner and the Producer operation (except for case E where it is submitted by the Producer operation only). Exemptions can be granted only in specific circumstances, and provided that significant projects can still be implemented with the Fund money.

› STEP 1: ELIGIBILITY FOR EXEMPTION

The partners shall justify that they are in one of the below situations:

Eligible situations		Minimum % allowed
A. HIGH VALUE	The Producer Sales price and/or the Producer Operation Sales price is significantly higher than the production costs of the used raw materials (a).	- 3% of the Producer operation Sales Price; or - 5% of the Producer Sales Price <i>On an exceptional basis, lower percentages can be accepted when at least two of the situations (A, B, C) combine.</i>
B. HIGH VOLUMES	The Fair Trade provisional purchase volumes are substantial (b). Such volumes shall be planned and communicated for a minimum of 3 years. See guidance of TRAD-9.	
C. DIRECT SUPPORT FROM FAIR TRADE PARTNER	1. The Fair Trade Partner provides significant and regular direct support (c) to the Producer operation; and 2. The Fair Trade Partner regularly informs and consults the beneficiaries about the projects that it directly funds, even if this is made outside of the established Fair Trade Fund decision-making process. See EMP-20.	
D. VERY GOOD SOCIAL CONTEXT	The Producer operation operates in a country offering very good socio-economic infrastructures (transport, education, health, etc.) and very good social protection to workers/producers.	
E. PRICE INCLUDING FUND	The Producer operation is a Brand Holder eligible to a “Price including Fund” mechanism for whole or part of its sales. For the concerned sales of finished products, a lower Fund amount can be set. See TRAD-46.	

(a) High value: Mainly the case for high added value products (due to important or complex processes or to important transaction costs), and for products with high price caused by speculative behaviour / high demand in the market;

(b) Substantial purchase volumes: assessed on a case to case basis, not only in terms of corresponding amount (Volumes X Fair Trade price) in hard currency (USD; EU, etc.), but also in terms of percentage of sales to the Fair Trade Partner;

(c) Direct support: i.e. if the Fair Trade Partner is supporting the Producer operation through technical support, trainings, purchases of materials, etc., mainly for product quality issues (including organic quality).

› STEP 2: EVALUATION OF THE PROVISIONAL BUDGET AND COMPARISON WITH STANDARD FUND AMOUNT

1) The partners assess the annual amount needed to finance relevant projects, as identified through the Fair Trade Fund diagnosis / decision making process, and to create impact. This amount corresponds to the Provisional Budget for the Fund.

2) The partners demonstrate that the Fund Amount as defined in TRAD-45 (corresponding to the Standard Fund Amount) enables to cover the Provisional Budget:

$$\text{Standard Fund Amount} \geq \text{Provisional Budget}$$

3) Additionally, for case C (Direct Support from Fair Trade Partner), the partners evaluate the annual amount corresponding to the direct support so it can be considered in the overall assessment, with:

$$\text{Provisional Budget} + \text{Direct support amount} \geq \text{Standard Fund Amount}$$

› STEP 3: MUTUALLY AGREED PROPOSAL

The partners propose a mutually agreed Fair Trade Fund that shall:

- Enable to cover the provisional budget;
- Be superior or equal to the minimum % allowed, as specified in table above.

› STEP 4: APPROVAL

Depending on the justifications / cases, the CB will decide whether the proposed fund amount is appropriate. Once appropriate Fund amount is set, the CB writes a letter of acceptance.

ANNEX VII: EXEMPTION FROM SELECTED (SUB-) CHAPTERS

In two specific situations, the Operation can request to be exempted from Chapter 2 (Social Responsibility) and/or Chapter 3 (Environmental Responsibility).

CASE 1: Other certifications considered

The Operation provides proof that labour and/or environmental practices have been externally verified for all sites under the scope of certification.

Accepted proofs:

- See table on the next page

In such cases:

- The applicable criteria in the respective (sub-)chapters will be considered as compliant (Score = 2), unless, on a voluntary basis, the Operation provides formal evidence of a better performance on some selected criteria.
Exception: if an Organic certification is available and all the products / sites considered in the certification scope are certified organic, the maximum rating will be applied to the applicable criteria of sub-chapter 3.7 "Additional requirements for conventional Operations".
- In case of doubts, the CB reserves the right to perform additional investigations.

CASE 2: Small-scale trader

The operation does not have any processing or production activities, and hires less than the equivalent of 5 full-time employees.

In such cases:

- Chapter 2 will be considered as 'not applicable'.
- In case of doubts, the CB reserves the right to perform additional investigations.

Type of proof	Sector	FFL Typology for which recognition is possible					(Sub-)chapters considered compliant (all applicable criteria)						
		Producer Operation	Fair Trade Partners	Brand Holder	Intermediate Trader	Subcontractor	Chapter 2	sub-chapter 3.7 - Chemicals	Sub-chapter 3.7 - Farming	Sub-chapter 3.7 - Wild collection	Sub-chapter 3.7 - Animal welfare	ENV-78	Others
SA 8000 certificate	All						YES	NO	NO	NO	NO	NO	
ETI-SMETA Audit report (4-pillar) <i>not older than 18 months, carried out by an accredited Audit Body; non-conformities were followed up by Audit Body</i>	All						YES	NO	NO	NO	NO	NO	
ETI-SMETA Audit report (2-pillar) <i>Same condition as above</i>	All						YES	NO	NO	NO	NO	NO	
BSCI 'Full Audit' report <i>not older than 18 months; if overall rating 'C' or lower: follow-up audit on correction of non-conformities was performed</i>	All						YES	NO	NO	NO	NO	NO	
Organic certification <i>(national or international organic farming regulations checked by authorized / licensed CB)</i>	All						NO	YES, maximum rating	YES, maximum rating	YES, maximum rating	YES, maximum rating	NO	
Detailed social standard report section as part of an IFOAM accredited organic certification scheme with social principles	All						YES	NO	NO	NO	NO	NO	
"GAP" certificates (Global Gap Crops; Global GAP Livestock; Global GAP Aquaculture Certificate or ASC Certificate)	Food						NO	NO	YES	NO	YES	NO	
Rainforest Alliance certificate	Food						NO	YES	YES	YES	NO	NO	
COSMOS Organic, COSMOS Natural certificate (or recognized as equivalent by COSMOS)	Cosmetics						NO	YES	NO	NO	NO	NO	3.6 Packaging, 3.7 – Animal testing

Type of proof	Sector	FFL Typology for which recognition is possible					(Sub-)chapters considered compliant (all applicable criteria)						
		Producer Operation	Fair Trade Partners	Brand Holder	Intermediate Trader	Subcontractor	Chapter 2	sub-chapter 3.7 - Chemicals	Sub-chapter 3.7 - Farming	Sub-chapter 3.7 - Wild collection	Sub-chapter 3.7 - Animal Welfare	ENV-78	Others
Global Recycling Standard (GRS) certificate	Textile	YES	YES	YES	YES	YES	NO	NO	NO	NO	YES		
Responsible Alpaca Standard (RAS) certificate	Textile	YES					YES (farmer level)	NO	NO	NO	YES	NO	
Responsible Mohair Standard (RMS) certificate	Textile	YES					YES (farmer level)	NO	NO	NO	YES	NO	
Responsible Wool Standard (RWS) certificate	Textile	YES					YES (farmer level)	NO	NO	NO	YES	NO	
Responsible Down Standard (RDS) certificate	Textile	YES					NO	NO	NO	NO	YES	NO	
Forest Stewardship Council (FSC) certificate	Textile	YES					YES	YES	YES	NO	NO	NO	
GOTS certificate	Textile		YES	YES	YES	YES	YES	NO	NO	NO	NO	YES	
ERTS certificate (Level 2)	Textile		YES	YES	YES	YES	YES	NO	NO	NO	NO	YES	
Naturtextil IVN Best certificate	Textile		YES	YES	YES	YES	YES	NO	NO	NO	NO	YES	
Naturleder IVN certificate	Leather		YES	YES	YES	YES	YES	NO	NO	NO	NO	YES	

This list is subject to updates and/or amendments as per need identified.

Other trustworthy third-party social and/or environmental verification schemes may be considered on a case-by-case basis, including those related to ISO 26000 / CSR evaluation.

TERMS AND DEFINITIONS

The following terms are defined in their meaning and use within the Fair for Life Standard only.

› GENERAL GLOSSARY

Agricultural ingredient (also called agro-ingredient) - any plant, animal or microbial product derived from agriculture, aquaculture or wild collection/harvest.

Physically processed agricultural ingredient (PPAI) - processed or extracted ingredient using physical processes such as blending, distillation, grinding, roasting, squeezing etc.
Examples: Oils, butters, waxes, extracts, hydrolates, honey, plant powder etc.

Chemically processed agricultural ingredient (CPAI) – processed or extracted ingredient using chemical processes.

Simple CPAI - processed or extracted ingredients using chemical processes listed below:

- Biotechnology processes (only for alcohol and vinegar)
- Calcination
- Carbonization
- Hydrolysis
- Saponification
- Hydrogenation
- Neutralization

Examples: alcohol, glycerine, saponified oil, hydrogenated oil, etc.

Complex CPAI - processed or extracted ingredients using chemical processes that are not listed under Simple Chemically Processed Agricultural Ingredients.

Examples: Surfactant, ingredients from biotechnology processes, perfumes, natural origin ingredients with petrochemical moieties, etc.

Certified ingredient - Fair for Life fair trade certified ingredient or recognized fair trade ingredient following the procedure for recognition of other schemes as described in Annex IV.

Free Prior Informed Consent (FPIC) - The right to participate in decision-making and to give, modify, withhold or withdraw consent to an activity affecting the holder of this right. Consent must be freely given, obtained prior to implementation of such activities and be founded upon an understanding of the full range of issues implicated by the activity or decision in question.

Internal Control System (ICS) - An ICS is a documented quality assurance and management system that allows an external certification body to delegate the inspection / follow-up of individuals from a group to the group manager. This system manages compliance with a standard and comprises the internal verification methods used (procedures, records, internal specifications, etc.).

Land grabbing - The control (whether through ownership, lease, concession, contracts, quotas, or general power) of larger than locally-typical amounts of land by any person or entity (public or private, foreign or domestic) via any means ('legal' or 'illegal') for purposes of speculation, extraction, resource control or commodification at the expense of peasant farmers, agroecology, land stewardship, food sovereignty and human rights.

Multi-Ingredient product (Composite product) - Product composed of more than one ingredient, or having only one ingredient but from different origins (e.g. a blend of olive oils / coffee).

Operation - The physical or legal person responsible for ensuring compliance with the requirements of this standard within the activity that is under its control; An Operation can include / take the responsibility of one or several legal or physical persons.

Record - Document that presents results obtained or provides evidence of activities carried out.

Synthetic ingredient - ingredient that is of 100 % petrochemical origin.

Examples: Preservatives and denaturing agents, some perfumes, some texturizing agents (some because they can be from natural or synthetic origin), etc.

› SUPPLY-CHAIN ACTOR'S GLOSSARY

Brand Holder - The company/organization under whose brand the final certified product is marketed to consumers.

Conveyor - Intermediary trader between the Producer operation and the Fair Trade Partner, which can sometimes act as contracted exporter or importer. Conveyors are in charge of conveying the Fair Trade Producer Operation Sales Price and the Fair Trade Fund to the Producer operations. Unlike the Fair Trade Partners, they do not negotiate prices or development funds. They buy Fair Trade products according to the quantities and prices agreed between the Producer operation and the Fair Trade Partner.

Intermediate trader - Any trading or processing company who purchases Fair for Life certified products not directly from Fair Trade Producer operations and who sells products as Fair for Life certified to other companies / organizations. An intermediate trader is not a Fair Trade Partner, nor a Conveyor, nor a Brand Holder.

Fair-Trade Partner - The Fair Trade Partner is the company / organization who negotiates with the Producer operation the Fair Trade Price and the Fair Trade Fund and who markets the product as Fair for Life certified into commodity trade chains. A Fair Trade Partner can be a Brand Holder, as well as a Producer operation (if the latter is buying from other separately certified Producer operations).

Producer - Primary producer such as farmer, collector, artisan, or individual processor, who is directly and individually paid for the provision of a product it directly produces / harvests or manufactures. In this standard, reference to the term "Producer" will not include the case where such a person is applying individually for certification. In such cases, it will be considered as a "Producer operation" and not as a Producer.

Producer operation - Any company or organization which is partially or totally dedicated to collecting the product from sites where farmers / harvesters / artisans or farm workers are working, and who has applied for the certification (i.e. this company or organization is responsible for the compliance to the standard of all the production and processing entities under the scope of its certificate).

Three types of simple settings are commonly defined, depending on the legal forms and commercial activities of the Producer operation:

- 1) **Contract Production Company** - The Producer operation is a trader or manufacturer contracting producers to produce or deliver products in a certain defined quality.
- 2) **Organized Producer Group** - The Producer operation is a group of producers organized in a formal type of producers' association or cooperative. The Organized Producer Group buys the products from the Producers members of the group. It is democratically organized.
- 3) **Single farm / Estate / Plantation** - The Producer operation is a company / individual producer who is managing its own farming / collection / artisan activity.

Other more complex settings could be:

- *A private trader or manufacturer takes over the supervision of 2 different types of suppliers:*
 1. *Contracted Producers*
 2. *Organized Producer Group*
- *A federation of cooperative takes over the supervision of its member cooperatives*
- *An Organized Producer Group, takes over the supervision of 2 different types of suppliers:*
 1. *Producers members of the group*
 2. *External Producers*
- *A farming company, takes over the supervision of external producers supplying the company, etc.*

Smallholder Producer - Producer who does not structurally depend on hired labour, managing his / her production mainly with his / her own family's labour-force.

Normally a Smallholder Producer does not hire any permanent worker (but may hire seasonal workers):

- For highly labour-intensive production and in specific cases related to the personal situation of the Producer, some permanent workers may be hired;
- On the contrary, in the cases of highly mechanised production generating high incomes, a Producer may not be considered as Smallholder even if he/she does not hire any permanent worker;
- If there are other local parameters for defining a Smallholder Producer, these could be taken into account.

Subcontractor - A third party processing/packing and/or storing certified products on behalf of a contracting certified/registered Operation. The product is owned by the contracting certified/registered Operation, and the Subcontractor only charges for the service provided.

› SOCIAL GLOSSARY

Discrimination - The ILO definition is used: "Any distinction, exclusion or preference based on race, colour, gender, religion, political opinion, nationality or social origin (or any other motive determined by the afore-mentioned states) that causes equality of opportunity or treatment in employment or work to be lifted or reduced".

Worker - All staff working in a given company / organization, including permanent, seasonal, temporary, migrant, foreign, casual and sub-contracted workers. The term "worker" also include persons employed in the administrative branch of a given company / organization. In this standard three categories of workers are identified:

- **Permanent workers** are workers who are employed on an ongoing, year-round basis.
- **Temporary or seasonal workers** are workers employed for limited periods related to fluctuations in demand for labour at different times of the year (seasonal tasks).
- **Regular temporary workers** are workers who basically work all the year with the employer, but are not categorised as permanent workers mainly because they work for a reduced number of hours, often not fixed (i.e. a temporary worker who works only one or two days per week / per month).

Young Worker - A young worker is defined by age as being between 15 (or higher if stipulated by national law) and 18 years old (or the age of legal adulthood as defined by national law, if higher).

Child - Any person under the age of 15, unless national minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age would apply.

› ENVIRONMENTAL GLOSSARY

Agrochemical - A chemical substance used in agricultural production systems to maintain soil fertility (fertiliser), control weeds (herbicide) or combat pests (insecticide, fungicide, etc.).

Area of Special Ecological Value - Any ecosystem which is essential to the local or global biodiversity, be it terrestrial or aquatic. This includes but is not limited to protected areas (according to international law or national law, indigenous peoples' and community conserved territories and areas, etc.). This could, for example, include areas which:

- contribute substantially to the survival of threatened, endangered species and/or endemic species;
- present a high wild species diversity;
- support important populations of one or more wild species;
- contain an outstanding example of a particular habitat type or a mosaic of different habitat types (particularly those listed under international law or national law); and/or

- represent an important area or are part of a corridor for one or more migratory species defined under the Appendixes I and II of the Bonn Convention (Convention on the Conservation of Migratory Species of Wild Animals).

Economic Threshold - The level of infestation or pest attack at which the benefits received (for example in terms of yield or crops saved) cover the cost of the treatment or application.

Ecosystem - A set or system of one or more biological communities (plants, animals etc.) along with the physical media within a determined zone (e.g. Forests, wetlands, lakes, etc.).

Erosion - Removal or displacement of soil caused by movement of water or wind.

Habitat - The place or type of site where an organism or population naturally occurs.

Integrated Pest Management (IPM) - A long-term prevention strategy to combat pests, involving a combination of techniques such as biological control (use of beneficent insects or microbes), use of pest-resistant varieties and the use of alternative agricultural practices in e.g. pruning, spraying or fertilizing.

Integrated Waste Management (IWM) – A multi-approach system for waste management which takes into consideration all stages of waste streams and combines different options for waste treatment (recycling, waste re-use, sorting etc.) and preventive strategies in order to find the optimal mix in terms of environmental, social and economic sustainability.

Natural Ecosystem - An ecosystem that occurs as it would without the influence of human beings. This ecosystem may be terrestrial or aquatic (e.g. tropical rainforest, grassland, coral reefs, tundra, lakes, etc.).

Natural Water Body - Lakes, lagoons, rivers, streams, brooks or other bodies of surface water that exist naturally.

Old Growth Secondary Forest - Secondary forest (forest that has been logged and has recovered naturally or artificially) that has sufficiently developed the structures and species normally associated with old primary forest of that type to act as a forest ecosystem distinct from any younger age class forest (adapted from: www.cbd.int).

Post-harvest treatment - Any input used after harvest of the crop (e.g. fruit washing products, warehouse gassing products etc.).

Primary Forest - Forest that has never been logged and has developed following natural disturbances and under natural processes, regardless of its age (www.cbd.int).

Semi-natural Ecosystem - An ecosystem which has been altered by human actions, but which retains significant native elements (e.g. ecosystems resulting from “traditional“ forms of agricultural land use such as steppes, grasslands and wooded meadows).

Threatened or Endangered species - Species of flora and fauna indicated as threatened or endangered in applicable laws or regulations or by the IUCN - The World Conservation Union’s Red List (<http://www.iucnredlist.org>).

› FAIR TRADE GLOSSARY

Fair for Life certified quality - The certification status of a specific batch/lot of an ingredient or product.

A specific batch/lot of an ingredient/product obtains its FFL certified quality through the implementation of the core fair trade principles as defined by the Scheme in the economic transaction for this batch/lot between a certified Producer Operation and a certified Fair Trade Partner. Ingredients/products that are sold by a Producer Operation to a non-FFL certified operation do not possess the FFL certified quality. From the Fair Trade Partner downstream the FFL certified quality is maintained only as long as all actors in the supply-chain are FFL certified or registered.

Exception: Producer Operations, which are at the same time Brand Holders, may claim the FFL certified quality of the final consumer products sold under their own brand even without the involvement of a certified Fair Trade Partner.

Fair Trade Development Fund or Fair Trade Fund - Extra amount paid to the Producer operation in addition to the Producer Operation Sales Price for all Fair Trade products bought. The Fair Trade Fund has to be administered separately from all other revenues and its use is strictly confined to collectively agreed projects. This term replaces the traditionally used term “Fair Trade Premium”.

Floor Price - Agreed minimum price to be paid for all Fair for Life purchases:

- If it is specified “**Producer Operation Floor Price**”, this price is guaranteed to the Producer operation by the Fair Trade Partner.
- If it is specified “**Producer Floor Price**”, this price is guaranteed to the Producers by the Producer operation, in the case of Producer groups.

Sales Price - Price actually paid for the fair trade certified products:

- If it is specified “**Producer Operation Sales Price**”, it is negotiated between the Producer operation and the Fair Trade Partner. The Producer Operation Sales Price includes normally a differential for standard compliance and certification and considers the quality of the product (overall product quality, organic production, etc.). The Sales Price, however, normally does not include the Fair Trade Fund.
- If it is specified “**Producer Sales Price**”, it is negotiated between the Producer operation and the individual producers, in the case of producer groups. It is paid when goods are delivered in accordance with agreed quality requirements and at the place agreed with Producer Group Operation (e.g. at purchase centre, at farm). All risk, responsibility and costs that may accrue after acceptance of the goods are the responsibility of the producer group.

ACRONYMS AND ABBREVIATIONS

ASC - Aquaculture Stewardship Council (www.asc-aqua.org)

CB - Certification Body

CSR - Corporate Social Responsibility

COSMOS - Cosmetics organic and natural standard (www.cosmos-standard.org)

CPAI – Chemically Processed Agricultural Ingredients

ERTS - Ecological and Recycled Textile Standard (www.ecocert.com)

FFL - Fair for Life

FL - For Life

FairWild - FairWild Foundation (www.fairwild.org)

FLO - Fairtrade Labelling Organization (www.fairtrade.net)

FSC - Forest Stewardship Council (www.fsc.org)

FT USA - Fair Trade USA (www.fairtradeusa.org)

GAP - Good Agricultural Practices

GOTS - Global Organic Textile Standard (www.global-standard.org)

GRS - Global Recycled Standard (www.textileexchange.org)

ILO - International Labour Organization (www.ilo.org)

MSC - Marine Stewardship Council (www.msc.org)

PPAI – Physically Processed Agricultural Ingredients

RAS - Responsible Alpaca Standard (www.textileexchange.org)

RDS - Responsible Down Standard (www.textileexchange.org)

RMS - Responsible Mohair Standard (www.textileexchange.org)

RWS - Responsible Wool Standard (www.textileexchange.org)

SA8000 & SAI - Social Accountability 8000 Standard by SAI - Social Accountability International (www.sa-intl.org)

SPP - Símbolo de Pequeños Productores (www.spp.coop)

ZDHC MRSL - Manufacturing Restricted Substances List by the ZDHC Foundation (mrsl.roadmaptozero.com)