



# GENERIC FAIRTRADE STANDARDS

## FOR Small Farmers' Organizations

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|---|-----------|
| <b>Fairtrade, an Alternative for Small Farmers and Workers</b>  | <b>2</b>  |
| <b>1 Social Development</b>   | <b>4</b>  |
| 1.1 Fairtrade adds Development Potential  | 4         |
| 1.2 Members are Small Producers   | 4         |
| 1.3 Democracy, Participation and Transparency   | 4         |
| 1.4 Non-Discrimination  | 5         |
| <b>2 Economic Development</b>   | <b>5</b>  |
| 2.1 Fairtrade Premium   | 5         |
| 2.2 Export Ability  | 5         |
| 2.3 Economic Strengthening of the Organization  | 6         |
| <b>3 Environmental Development</b>  | <b>6</b>  |
| 3.1 Impact Assessment, Planning and Monitoring  | 6         |
| 3.2 Agrochemicals   | 10        |
| 3.3 Waste   | 14        |
| 3.4 Soil and Water  | 16        |
| 3.5 Fire  | 19        |
| 3.6 Genetically Modified Organisms (GMO)  | 19        |
| <b>4 Standards on Labour Conditions<br/>(applicable if the <u>organization</u> employs a significant number of workers)</b> | <b>21</b> |
| 4.1 Forced Labour and Child Labour  | 21        |
| 4.2 Freedom of Association & Collective Bargaining  | 22        |
| 4.3 Conditions of Employment  | 22        |
| 4.4 Occupational Health and Safety  | 23        |

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## Fairtrade, an Alternative for Small Farmers and Workers

Fairtrade is an initiative for small farmers and wage workers in the South, who have been restrained in their economical and / or social development by the conditions of trade (= 'disadvantaged'). If fair access to markets under better conditions of trade can help to overcome the restraints of development, they can join Fairtrade.

**Small farmers** can join Fairtrade if they have formed organizations (in co-operatives, associations or other organizational forms<sup>1</sup>) which are able to contribute to the social and economic development of their members and their communities and are democratically controlled by their members. Organizations can be certified by FLO if they comply with the requirements of the Generic Fairtrade Standards for Small Farmers' Organizations.

**Workers** can participate in Fairtrade if they are organised, normally in unions, and if the company they work for is prepared to promote workers' development and to pass on to the workers the additional revenues generated by Fairtrade. Such companies working with hired labour (farms, plantations, etc.), can be certified if they comply with the requirements of the Generic Fairtrade Standards for Hired Labour.

In setting its Standards FLO follows certain **internationally recognised standards and conventions**, especially those of the ILO (International Labour Organization), as these form the basic labour rights most widely accepted throughout the world. In this document the Generic Fairtrade Standards are worded in their own terms but, where applicable, references are also given to any other external standards that FLO follows.

The Standard is then followed by the **requirements** against which producers will actually be inspected. The requirements are divided into:

- **minimum requirements**, which all producer organizations must meet from the moment they join Fairtrade, or within a specified period; and
- **progress requirements**, on which producer organizations must show permanent improvement. A report on the achievement of progress requirements should be made each year.

Minimum in this sense is meant to ensure that:

1. Fairtrade benefits reach the small farmers and/or workers.
2. The small farmers' organization and/or the workers has/have potential for development.
3. Fairtrade instruments can take effect and lead to a development which cannot be achieved otherwise.

The degree of progress, which FLO requires from each producer organization, depends on the level of economic benefits it receives from Fairtrade and on its specific context.

FLO also requires that producer organizations always abide by **national legislation**. Furthermore, national legislation prevails if it sets higher standards on particular issues than FLO.

### Application

This version of the Generic Fairtrade Standards for Small Farmers' Organizations supersedes all previous versions. It becomes **applicable from April 1<sup>st</sup>, 2007** following its approval by FLO's respective standard-setting bodies. Applicants as well as producer organizations that are certified against the previous version, must be able to demonstrate compliance with the minimum requirements

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<sup>1</sup> In the rest of the document the term organization will be used, which should be read as to include all types of organizational forms.

from April 1<sup>st</sup> 2007. Indicated deadlines in progress requirements refer to timelines after first certification against this new version.

For the **environmental part** of this standard applicants, as well as producer organizations that are certified against the previous version, must demonstrate improvements towards compliance with the **progress requirements** from April 1<sup>st</sup> 2007. However, non-compliances with progress requirements of the environmental part of this standard shall not lead to corrective actions nor suspension or withdrawal of a certificate until April 1<sup>st</sup>, 2008.

The Standards laid out in this document apply to **small farmers' organizations ONLY**. For Standards related to hired labour situations please see the Generic Fairtrade Standards for Hired Labour.

# **1 Social Development**

## **1.1 Fairtrade adds Development Potential**

*Fairtrade should make a difference in development for certified producers.*

### **1.1.1 Minimum Requirement**

1.1.1.1 The producer organization can demonstrate that Fairtrade revenues will promote social and economical development of small farmers.

### **1.1.2 Progress Requirement**

1.1.2.1 A monitored plan should be developed under which the benefits of Fairtrade (including the Premium) are shared based on a democratic decision taken by the beneficiaries.

## **1.2 Members are Small Producers**

*By small producers are understood those that are not structurally dependent on permanent hired labour, managing their farm mainly with their own and their family's labour-force.*

### **1.2.1 Minimum Requirement**

1.2.1.1 The majority of the members of the organization are small producers.

1.2.1.2 Of every Fairtrade-certified product sold by the organization, more than 50% of the volume must be produced by small producers.

### **1.2.2 Progress Requirement**

1.2.2.1 Where a minority of small producers from within a small producer organization is producing a particular Fairtrade-product, special attention needs to be given to ensure that they will always receive a cost-covering price for their product from the small producers' organization. The small producer organization will establish an adequate system for this respectively.

## **1.3 Democracy, Participation and Transparency**

*The organization must be an instrument for the social and economical development of the members, and in particular the benefits of Fairtrade must come to the members. The organization must therefore have a democratic structure and transparent administration, which enables an effective control by the members and its Board over the management, including the decisions about how the benefits are shared. Furthermore, there must be no discrimination regarding membership and participation.*

### **1.3.1 Minimum requirements**

1.3.1.1 An organizational structure is in place which enables control by the members. There is a General Assembly with voting rights for all members as the supreme decision taking body and an elected Board. The staff answers through the Board to the General Assembly.

1.3.1.2 The organization holds a General Assembly at least once a year.

1.3.1.3 The annual report and accounts are presented to and approved by the General Assembly.

1.3.1.4 Administration is in place.

### **1.3.2 Progress requirements**

1.3.2.1 The organization works towards transparent planning of the business. Organizations are encouraged to make annual business plans, cash flow predictions and longer term strategic plans. Such plans will be approved by the General Assembly.

1.3.2.2 The participation of members in the organization's administration and internal control is promoted through training and education - and improves as a result.

1.3.2.3 The organization establishes or improves internal mechanisms of members' control over the administration, such as a control committee with rights to review the administration, external audit, etc.

- 1.3.2.4 Increasingly, the organization's policies are discussed in member meetings. Management actively encourages members' participation in meetings.
- 1.3.2.5 There is improvement of the flow of information from board to members about the business and the organization's policies.
- 1.3.2.6 Measures will be taken to improve the members' commitment to the organization.

## **1.4 Non-Discrimination**

*FLO follows ILO Convention 111 on ending discrimination of workers. The Convention rejects "any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation" (art. 1). As far as applicable, FLO extends these principles to members of organizations.*

### **1.4.1 Minimum requirements**

- 1.4.1.1 If the organization restricts new membership, the restriction may not contribute to the discrimination of particular social groups.

### **1.4.2 Progress requirements**

- 1.4.2.1 Programs related to disadvantaged/minority groups within the organization are in place to improve the position of those groups in the organization, particularly with respect to recruitment, staff and committee membership.

## **2 Economic Development**

### **2.1 Fairtrade Premium**

*The organization has the commitment and capacity to administer the Fairtrade Premium in a way which is transparent for beneficiaries and FLO. Decisions on the use of the Premium are taken democratically by the members.*

#### **2.1.1 Minimum requirements**

- 2.1.1.1 The organization administers and manages the Premium transparently and uses it in line with the requirements outlined in these Standards.
- 2.1.1.2 The use of the Fairtrade Premium is decided by the General Assembly and properly documented

#### **2.1.2 Progress requirements**

- 2.1.2.1 As soon as Premium is available, there is a yearly Premium plan and budget, preferably these are part of a general work plan and budget of the organization.

### **2.2 Export Ability**

*The producers must have access to the logistical, administrative and technical means to bring a quality product to the market.*

#### **2.2.1 Minimum requirements**

- 2.2.1.1 Logistics and communication equipment are in place.
- 2.2.1.2 The producer organization proves that it meets current export quality standards, preferably through previously exported products which were accepted by importers.
- 2.2.1.3 Demand for the producers' Fairtrade product exists.

2.2.1.4 The organization has experience in the commercialisation of a product as an organization.

## 2.2.2 Progress requirements

2.2.2.1 The producer organization increases efficiency in their exporting operations as well as in other operations and this way maximises the return to the members.

## 2.3 Economic Strengthening of the Organization

### 2.3.1 Progress requirements

2.3.1.1 Members will gradually take on more responsibility over the whole export process.

2.3.1.2 The organization will work towards the strengthening of its business related operations. This could for example be through the building up of working capital, implementation of quality control, training/education and risk management systems, etc.

## 3 Environmental Development

*The producers' organization ensures that its members protect the natural environment and makes environmental protection a part of farm management. The organization is expected to facilitate the development, implementation and monitoring of producers' operational plans with the aim of establishing a balance between environmental protection and business results through the use of a combination of measures including crop rotation, cultivation techniques, crop selection, careful use of inputs such as fertilizers and pesticides and, as relevant, shade production. The organization ensures that its members minimize the use of synthetic and other off-farm fertilizers and pesticides, partially and gradually replacing them with non-synthetic and on-farm fertilizers and biological methods of disease control. FLO encourages small producers to work towards organic practices where socially and economically practical. Producers are encouraged to minimize the use of energy, especially energy from non-renewable sources. The organization is expected to maintain a management system consistent with its size in order to ensure organizational control of those areas for which it is responsible and to monitor production by its members through the use of recognized inspection and verification methodologies.*

### 3.1 Impact Assessment, Planning and Monitoring

*The organization is expected to assess the environmental impacts of its members' operations, to develop plans designed to mitigate those impacts and to monitor the implementation of those plans.*

#### 3.1.1 Minimum Requirements

3.1.1.1 A person within the organization is given responsibility for ensuring the production of a plan giving details of how to comply with the environmental standards specified in this document.

How the organization is structured is an essential component of whether or not it can be certified. A resource person, or preferably a management team is needed to oversee that producer and on-farm processing operations are meeting the requirements of the standards. Their duties should be specified in a written job description. Initially, the plan will focus on the minimum requirements of the environmental standards. Over time the plan will also describe the actions that are needed to ensure compliance with the progress requirements.

3.1.1.2 The organization ensures that for certified products no plant material is gathered from protected areas or is propagated in contravention of national and international regulations.

The organization's members should be able to prove the source of their planting stock (all plant material excluding seeds) on request of the inspector.

### 3.1.2 Progress Requirements

3.1.2.1 The organization seeking certification develops and then implements a formalized Internal Control System (ICS) that liaises with the certification body.

Organizations applying for certification during 2007 must, as part of the requirements for certification, develop such an ICS if not already in place and, by the end of 2008, must be able to demonstrate that they have begun to use all aspects of it. By the end of 2009, all aspects of the ICS must be fully functional.

In the case of organizations that are already certified, a similar 3-year phase-in period will be assigned.

The person(s) responsible for maintaining the internal control system should be able to show an organised methodology and record-keeping system that applies to all levels of the organization from the top management down to the individual member. Data should be updated on an annual basis at least.

These standards allow a gradual phase-in period for the development of the ICS in order to help facilitate the process and allow the certification body to evaluate organizations' progress. Each organization is given the choice of how to design its own ICS, so that it can do so in a manner that makes the most practical sense in its own particular situation.

During the first year the organization should:

- identify responsible personnel and assign job tasks
- compile basic data about all members as applicable to these standards
- identify control points as applicable to these standards
- decide on a method of verifying that members are compliant
- create or assemble documentation to attest to inspectors and the certification body that its system is functioning.

In response, the inspector and certification body will evaluate the proposed ICS and propose modifications as necessary to ensure that it will guarantee that these standards can be met by all the organization's members and be verified as having done so.

In the second and third year, the organization should demonstrate compliance with the milestones as noted in this standard (3.1.2.1).

Inspectors use field inspection, interviews with members and organization management personnel and review of documents through the Internal Control System to verify that the members meet relevant standards and that the Internal Control System itself is functioning.

3.1.2.2 Any harvesting of wild specimens or products from natural (uncultivated) areas by members of the organization must be done in a manner that assures the sustainability/survivability of the species in its native habitat.

Wild harvesting implies that the only real management activity being undertaken in the production zone is the actual harvest itself. Any other activities related to harvesting (e.g. clearing paths, maintaining camps, etc.) should be done in a way that minimizes human impact

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|  | <p>and reduces any transient effects as much as possible (e.g. removing rubbish created in camps).</p> <p>Areas from which wild products are harvested should be clearly defined on maps and verifiable/available for inspection.</p> <p>Harvesting should be done in a manner that:</p> <ul style="list-style-type: none"> <li>• maintains the viability of the species and allows it to continue to perpetuate itself</li> <li>• is moderated to ensure that the product is still available to other species in the ecosystem that depend on it</li> <li>• ensures that the subsequent harvest cycle will provide a comparable quantity, notwithstanding naturally occurring cycles/variations in production</li> </ul>   |
| <p>3.1.2.3 The organization has a plan for the improvement of the environmental and agricultural practices of its members and will monitor and report on performance objectives in the plan.</p>   | <p>The organization should identify all of the aspects that it will monitor in line with these standards. Generally speaking, the organization and its members' practices can be thought of as being of negative, positive, or more or less neutral impact.</p> <p>The organization should:</p> <ul style="list-style-type: none"> <li>• Notice and commend positive impacts, using them as a model</li> <li>• Monitor and stabilize neutral impacts. Neutral impacts can be accepted but must not decline into negative impacts, and should be improved whenever possible.</li> <li>• Correct negative impacts. In order to effectively monitor these impacts and plans for their mitigation, the organization should specifically identify and describe, at a minimum: <ul style="list-style-type: none"> <li>• the type(s) of impacts</li> <li>• methods of mitigating them</li> <li>• means of measuring the effectiveness of mitigation methods</li> <li>• means of documenting the above</li> <li>• sanctioning of uncooperative producers</li> </ul> </li> </ul> |
| <p>3.1.2.4 The organization ensures that its members have identified conservation areas, buffer zones around water bodies and watershed recharge areas appropriate to the region, which will not be cultivated and to which agrochemicals will not be applied.</p> | <p>The reservation of areas for biodiversity and natural resource conservation is vital to ensuring the long-term health and equilibrium of natural ecosystems and good water quality. The impact of humans on 100% of a given land area eliminates the possibility of the native ecosystem's natural balance continuing.</p>   |



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|  | The information mentioned in this requirement should be documented by the organization and verifiable by inspectors. Maps or similar documentation should provide an indication of all pertinent areas.   |
| 3.1.2.5 New planting in virgin forest areas is prohibited.   | The certification body may make exceptions to this rule if the organization can prove that affected members have no other arable land. In such cases, the organization ensures that the new planting is done in a manner that preserves and integrates the native habitat to the maximum possible extent.   |
| 3.1.2.6 Buffer zones are maintained as required to protect water bodies and watershed recharge areas, virgin forests, and/or other legally protected areas and to protect agricultural plots from potentially polluting sources such as roads.   | The size of the buffer zone depends on the local context. Around virgin forests and potable water sources a buffer zone of 100 metres is normally sufficient; 20 metres around rivers, swamps, lagoons, secondary forests and primary roads; 10 metres around secondary roads; 2 metres around tertiary roads.  |
| 3.1.2.7 In operations in areas of low biodiversity, where buffer zones are bare or undifferentiated from cash crops or in areas not suitable for cultivation, members should plant trees/bushes or otherwise encourage regeneration of natural flora and fauna.  |   |
| 3.1.2.8 The organization has a plan that provides an adequate overview of current and projected use of land.   | The organization should develop a plan to illustrate that its current and projected use of land is sustainable from an ecological, social and economic perspective. The plan can include both quantitative and qualitative information as appropriate to its particular vision. Examples of quantitative data could include acreage/crop, acreage devoted to biodiversity/reserves, projections or goals for future changes. Qualitative plans might include more about self-sufficiency, greater product diversification, restoration of damaged lands, etc. |
| 3.1.2.9 The organization pursues research into and promote the implementation of agricultural diversification within its members' farms (including reforestation and establishment of shade cover as applicable) as is practical in its particular situation and this should be described in writing. Progress on this should be made over time. |   |
| 3.1.2.10 The organization maintains records that include land usage, agrochemical usage, crop rotation, and water usage.   | Records should be verifiable by inspectors. Data should be inclusive and detailed enough to ensure verification down to the individual producers' plot(s).  |

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|  | For perennial systems, the management of the perennial ground cover (e.g. orchard floor or similar) is equivalent to crop rotation, i.e. the ground cover must be managed in a way that protects soil, builds fertility, and otherwise conserves natural resources and biodiversity in line with standards in section 3.4.   |
| 3.1.2.11 To the best of its ability, the organization supports the environmental and infrastructure projects of the local and regional authorities or other non-governmental organizations and programmes to improve the living conditions of its members (e.g. housing, drinking water supply, roads, reforestation, sewage treatment, garbage and waste collection, transportation, community infrastructure etc.).  | Fairtrade operations should embody socially responsible interactions with the community not only on a global market scale but also at the local level. Positive and constructive interactions with the local community have the potential to spread the long-term objectives of the Fairtrade mission. However, this progress requirement is not meant to necessarily dictate the use of the Fairtrade Premium; such expenditure of the premium should be made only at the judgement of the organization's members as they deem appropriate.   |
| <b>3.2 Agrochemicals</b><br><i>Producers are expected to continually reduce the volumes and types of agrochemicals used in production to the maximum possible extent. (Definition: the term agrochemicals as used in this document includes all synthetic inputs directly or indirectly used in the production of agricultural products or in the maintenance of processing equipment. This includes pesticides, fertilizers and coadjutants such as cleansing substances, detergents and mineral oil products).</i> |  |
| <b>3.2.1 Minimum Requirements</b>  |  |
| 3.2.1.1 Materials on the FLO Prohibited Materials List may not be used or otherwise sold, handled, or distributed by the organization.   | <p>FLO publishes a list of materials that cannot be used, comprising data from the WHO Class I A&amp;B, PAN's 'Dirty Dozen' and FAO/ UNEP Prior Informed Consent Procedure Lists plus FLO specific additional materials.</p> <p>The FLO Prohibited Materials List is an integral part of this standard.</p> <p>The FLO Prohibited Materials List stipulates which materials are prohibited for all products and which are prohibited for specific products.</p> <p>Toxic chemicals that persist in the environment are a threat to all species inhabiting the region. They circulate through water supplies, soils, plants, and animals, often creating cumulative toxic effects. The use of such chemicals is contrary to Fairtrade's objectives and standards for environmental protection and human safety. A range of alternatives to the chemicals on these lists exists; if a producer or organization cannot find a suitable alternative, it is a sign that the overall plan for land use and crop production should be reviewed.</p> |
| 3.2.1.2 This standard only applies to the  | The producer shall demonstrate on the basis of   |

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| <p>materials that are exceptionally allowed in certain products and in certain countries, as specified in the tables of the FLO Prohibited Materials List.</p> <p>The use of the exceptionally allowed materials are minimized and undertaken only in case of definite need, in appropriate Health and Safety conditions and using advanced techniques. An appropriate plan and record to substitute these materials must be developed and operated. Evidence of need must be demonstrated by the producer.</p> | <p>credible evidence the definite need to use the exceptionally allowed materials.</p> <p>Exceptions are reviewed periodically by the certification body.</p>  |
| <p>3.2.1.3 The organization ensures that agrochemicals are used, handled and stored correctly according to their specific characteristics (toxicity) in order to avoid danger to people and the environment.</p>  | <p>The organization ensures that agrochemicals are applied only by persons who take part in an education and control system as described below.</p> <p>The organization should develop an internal education and control system for agrochemical issues, in order to effectively comply with this standard. The organization's plan should specify an estimated timeline for implementing such a system. The control system should ensure at a minimum that:</p> <ul style="list-style-type: none"> <li>• the organization has a procedure for identifying all of the chemicals potentially in use by its producers, and a means of periodically verifying this</li> <li>• producers are educated as to the effects to human health of each chemical (through whatever exposure), and best practices for avoiding such exposure</li> <li>• re-entry times appropriate to the type of biocide and crop-specific conditions are made known, with efficient mechanisms for notifying members and the community in case of aerial sprayings</li> <li>• producers have a way of communicating real mishaps (i.e., unintentional use or accidental exposures, spills, etc.) to the organization without fear of undue hardship</li> <li>• the organization has a way of recording infractions and implementing remedial actions</li> </ul> <p>Whenever feasible, communal storerooms should be locked and accessible only by authorised personnel.</p> |
| <p>3.2.1.4 The organization ensures that all products and packages are clearly labelled.</p>  | <p>Whenever practical, storage should be in the original container.</p>  |
| <p>3.2.1.5 The organization ensures that all agrochemicals are only used for the crops for</p>  | <p>The organization should have an awareness-raising programme in place to ensure producers</p>  |

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| which they are specifically labelled and/or registered in the producer's country.  | receive the appropriate guidance to be able to comply with this standard.   |
| 3.2.1.6 The organization maintains safe storage and disposal of all agrochemicals and their containers.  | <p>The organization should have an awareness-raising programme in place to ensure producers receive appropriate guidance to be able to comply with this standard.</p> <p>The organization's plan should specify an estimated timeline for implementing the awareness-raising programme and the actions to become compliant with this standard. Producers should have a safe means of disposal for used containers or leftover materials no longer in use, and the organization should make it known to producers what their individual options are.</p> <p>The organization should control and restrict reuse of agrochemical bags and containers: these should not be used for food and product storage/transport.</p> <p>All potentially hazardous containers, (e.g. pesticide-treated bags used in banana production) should be included in the organization's plan.</p> |
| 3.2.1.7 The organization or a subcontractor avoids air spraying of agrochemicals over rivers and other water sources of significant size.  |   |
| <b>3.2.2 Progress Requirements</b>   |   |
| <p>3.2.2.1 This standard only applies to the materials that are exceptionally allowed in certain products and in certain countries, as specified in the FLO Prohibited Materials List.</p> <p>Producers must ensure that the use of the exceptionally allowed materials is phased out over time.</p> | <p>The producer should be able to stop using the exceptionally allowed materials through the planning and application of appropriate agricultural techniques.</p> <p>The producer shall employ apposite substitutes to the exceptionally allowed materials immediately when they become available on the market.</p> <p>Efforts to find such alternatives are properly documented (e.g. communication with relevant companies and with technical advisers and scientists). Alternative methods and potential substitutes are explored and assessed by practical trials.</p>   |
| 3.2.2.2 Areas for preparing agrochemicals for use are equipped to handle spills and other mishandling effectively (for example with absorbent material). Spills must not be allowed to seep into soil or water supplies.   | <p>The use of chemicals should only be permitted once the producer has ensured that members are trained on the proper handling, storage, dosage, and application techniques for each material to be used.</p> <p>The producer should document significant</p>   |

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|   | <p>mishaps in a manner that is readily available to Fairtrade inspectors. The producer should have a way of recording infractions and implementing remedial actions.</p>   |
| <p>3.2.2.3 The organization maintains a written record of all agrochemicals purchased, used and disposed of.</p>  | <p>The responsibility for keeping such records can either fall on the organization or the individual producer or be shared between the two. In all cases, the organization's control system should have a way of verifying that the records are accurate. Purchase receipts, records of use and an inventory of existing goods should be reconcilable.</p> <p>Ideally, records of use should be sufficiently detailed to show (as applicable) dates, materials, dosages, areas treated, method(s) of application, and target pest(s). However, in cases where members are illiterate, use can be estimated by review of purchase (or similar) receipts and disposal receipts, and comparison with the inventory of existing goods. The certification body has the authority to require that additional records be kept in cases where inspectors show reasons to doubt the adequacy of the ICS.</p> <p>These requirements also apply to products that are not included in the Fairtrade certification, but which are produced by the organization or its members. This is necessary to ensure that if agrochemicals are used in the non-Fairtrade activities of the organization, those uses can be verified as not negatively affecting compliance of the products for which the Fairtrade certification is being sought.</p> |
| <p>3.2.2.4 The organization ensures that its members apply agrochemicals (where permitted within these standards/ FLO Prohibited Materials List) only on the basis of written evidence that they are necessary.</p>                                     | <p>'Evidence' can be defined in a number of ways: the organization should specify how it is defining it.</p> <p>In all cases, the organization and its producers should be able to explain to inspectors their rationale for the use of agrochemicals.</p>   |
| <p>3.2.2.5 The organization ensures that its members' decision to use herbicides (where permitted within these standards/ FLO Prohibited Materials List) is supported by written evidence showing that there is no available alternative treatment.</p> | <p>Herbicide use is often a quick-fix option for weed problems. Cultivation techniques are a longer-term solution, but should be practiced regularly as part of a broader agronomic system in order to serve well.</p> <p>If justification of the use of herbicides can be provided, the plan for use should be accompanied by a plan to reduce or eliminate the need to use them in the future as much as possible. Timelines and activities to remedy the need for herbicide should be specified and these</p>   |

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|   | proposed solutions should be monitored and documented by the organization, with corrective or disciplinary sanctions imposed if necessary.   |
| 3.2.2.6 Unused agrochemicals are returned to the supplier if feasible.  |  |
| 3.2.2.7 The build-up of resistance to agrochemicals is avoided through appropriate production and dosage techniques and selection of appropriate plant varieties.   |  |
| 3.2.2.8 The timing and type of chemical application(s) should be chosen with the aim of minimizing the quantities used and the threat of human or animal exposure and environmental harm.                           |  |
| 3.2.2.9 Aerial spraying by the organization or a subcontractor is undertaken for fungicide application only. Aerial spraying over buffer zones (if any), open water bodies, or residential areas is not undertaken. |  |
| 3.2.2.10 The organization demonstrates a continual reduction in the toxicity and use of agrochemicals and a continual improvement in its rational use to the greatest possible extent.                              | <p>The organization and its producers are expected to continuously seek less toxic alternatives to solve agricultural problems. Cultivation techniques should form the basis of creating ecosystems that foster natural plant vigour/resistance and ecological equilibrium.</p> <p>When cultivation techniques fail or prove inadequate, the organization should have an established order of preference of chemical solutions, progressing from the least toxic to more toxic options. Other aspects being equal, natural materials are preferred over synthetic preparations.</p> <p>The organization should provide information on cultivation techniques and material solutions to its producers to help them understand what their options are.</p> |
| <b>3.3 Waste</b><br><i>Producers are expected to reduce, reuse, recycle and compost waste in a manner that is appropriate to the materials in question.</i>   |  |
| <b>3.3.1 Minimum Requirements</b>   |  |
| <b>No minimum requirements applicable</b>   |  |
| <b>3.3.2 Progress Requirements</b>  |  |
| 3.3.2.1 The organization ensures that its members dispose of any non-agrochemical hazardous waste in a safe manner.   | The organization should establish a plan (along with a timeline for its implementation) for the disposal of all the non-agrochemical hazardous waste materials (e.g. used machinery fluids, heavy metals, batteries, etc.). This plan should include, at a minimum:  |

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|   | <ul style="list-style-type: none"> <li>• identification of all potential hazardous non-agrochemical waste produced by the organization or its members</li> <li>• rules for the disposal of each type or category of waste product</li> <li>• a system of education for all persons involved about these rules</li> <li>• a means of routine or periodic verification that these rules are being followed.</li> </ul> <p>Conditions regarding agrochemical waste are described in section 3.2 of the environmental standards.</p>   |
| <p>3.3.2.2 The organization ensures that its members use organic waste in a sustainable way (e.g. composting, mulching, etc.).</p>  | <p>Recycling of natural resources should be maximized in order to make the organization and its producers as self-reliant as possible and reduce the need for consumption of non-renewable resources.</p> <p>Examples of unsustainable ways of handling organic waste are the burning of crop residues to get rid of them and allowing processing residues to flow into a drainage stream, etc.</p> <p>The organization should develop a plan (specifying a timeline for its implementation) for sustainable use of organic waste that includes, at a minimum:</p> <ul style="list-style-type: none"> <li>• identification of the kinds of organic waste involved</li> <li>• identification of potential ways of recycling each type of waste so that it is assimilated back into the ecosystem in a productive manner</li> <li>• identification of potential hazards to the food safety of the Fairtrade product(s), water, or soil quality by mishandling of the waste. Such hazards should be analyzed on an individual producer level as well as a group activity level (e.g. pooled wastes at a processing site)</li> <li>• education of producers and related operators about proper techniques of handling waste to ensure that they do not pose a threat to food safety, water, or soil quality</li> </ul> |
| <p>3.3.2.3 The organization ensures that its members do not feed animals with organic waste that is contaminated by pesticides.</p>   | <p>Organic waste (e.g. crop residues, flower foliage, etc) that is contaminated by pesticides can be identified as such by visible residues/effects of chemical reaction, smells, etc.</p>   |
| <p>3.3.2.4 The organization ensures that its members manage organic waste and crop residues appropriately to prevent the spread of disease or pest problems to crops, livestock, or</p> |  |

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| humans.   |   |
| 3.3.2.5 The organization ensures that its members do not burn waste if there is an environmentally less damaging alternative.   | <p>Producers should be educated about which materials should never be burned, which materials can/cannot be burned under certain circumstances and what those circumstances are. A list should be generated and updated as necessary.</p> <p>If incineration of waste is deemed the only feasible solution, adequate conditions should exist to ensure that fire is controlled, environmental protection is optimised, and any other damages resulting from the fire are minimised.</p>   |
| 3.3.2.6 Any materials that can be effectively recycled are. Paper, plastic, metal, wood, and other waste material must be separated and recycled whenever possible.   | It is acknowledged that recycling systems and similar relevant waste streams may be limited in certain areas due to limitations of infrastructure or regional progress in this regard.  |
| <p><b>3.4 Soil and Water</b><br/> <i>Producers are expected to maintain and enhance the fertility and structure of soil. Water resources are managed with the objectives of conservation and non-contamination.</i></p> |   |
| <p><b>3.4.1 Minimum Requirements</b></p>  |   |
| 3.4.1.1 The organization ensures that its members have undertaken procedures and practices designed to reduce and/or prevent soil erosion caused by wind, water, and/or human or animal impact.                         | <p>The conservation of soil is a primary tenet of sustainable agricultural production. Soil serves as the basis of human livelihood and should be protected to the maximum extent possible.</p> <p>The organization should set up an education and control system concerning soil erosion, so that awareness is raised and actions are taken to become compliant with this standard. The organization's plan should specify an estimated timeline for implementing such a system.</p> <p>The system should ensure that:</p> <ul style="list-style-type: none"> <li>• The organization evaluates the possible causes of erosion on any of the land or affected water resources under its scope where products for Fairtrade labelling are produced.</li> <li>• All pieces of land are individually inspected by the organization and existing problems identified and documented. Remedial actions appropriate to the problem should be imposed and followed up on a pre-decided timeline to ensure that the situation is improved.</li> <li>• Land that is at risk of erosion is noted by the organization, and monitored regularly to ensure that activities or phenomena (e.g., grazing, tillage, bare areas, water runoff, etc.) do not result in the creation of erosive</li> </ul> |



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|  | <p>conditions. Remedial actions appropriate to the problem should be imposed and followed up on a pre-decided timeline to ensure that the situation is improved.</p>  |
| <p>3.4.1.2 The organization ensures that its members have undertaken procedures and practices designed to enhance fertility and soil structure.</p>  | <p>Understanding of the basic agronomic principles of tillage and irrigation practices, building of soil fertility, and crop rotation (as applicable) should be part of every organization's operating plan.</p> <p>The organization should set up an education and control system concerning fertility and soil structure, so that awareness is raised and actions are taken to become compliant with this standard. The organization's plan should specify an estimated timeline for implementing such a system.</p> <p>The system should ensure that:</p> <ul style="list-style-type: none"> <li>• A person or persons with adequate expertise in these areas are part of the organization's management team. He/she should be able to critically evaluate individual members' fields and practices, and have the authority to recommend or impose conditions for improvement as appropriate to each situation.</li> <li>• The organization establishes its own internal guidelines for minimum requirements to ensure soil fertility and improved soil structure. These requirements are based on techniques/practices that are known to be successful over the long term.</li> <li>• The organization has a way of monitoring, measuring or otherwise evaluating how producers are complying with the standard. The need for corrective measures should be documented and followed up to ensure that improvements are made as required.</li> </ul> |
| <p><b>3.4.2 Progress Requirements</b></p>  |   |
| <p>3.4.2.1 The producer ensures that water management, tillage practices, and/or use of irrigation water does not lead to or contribute to contamination of water supplies, excessive salinization of soil or desertification.</p> | <p>The long-term sustainability of any region depends on the judicious use of water resources. Where irrigation water is used as a primary water source or where water is otherwise in short supply, the organization should pay attention to issues of:</p> <ul style="list-style-type: none"> <li>• depletion of groundwater or surface water bodies (including in-stream flow)</li> <li>• salinization of soil</li> </ul>  |

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|  | <ul style="list-style-type: none"> <li>tillage and ground cover practices to maximise water retention in the soil.</li> </ul> <p>In all cases, the organization should identify the water resources that are being used and document how (methods/ techniques) this was done.</p> <p>For those operations where desertification is a known or suspected potential problem, the organization should have a plan that includes concrete steps to conserve water, reduce the need for getting it from irrigation or groundwater systems, and adjust the agricultural and/or business plan as necessary to adapt to the ongoing water shortages.</p>                            |
| 3.4.2.2 The organization ensures that its members use irrigation methods and systems that minimize water consumption as much as is feasible for the operation in question.   | Examples are drip irrigation, water application direct to the root zone, or other traditionally practiced effective and well-managed watering techniques.   |
| 3.4.2.3 The organization ensures that its members use water for processing operations in the most efficient manner possible.   | Examples are the recirculation and/or recycling of water used for washing, controlled spray washes, etc.  |
| 3.4.2.4 The organization ensures that its members avoid the lowering of the groundwater level or any other negative effect on the availability and quality of drinking and irrigation water for the surrounding communities and farmers. | <p>This could be detected by, for example, seeing that wells are running dry, that wells need to be dug deeper, that water supplies have a higher salt content than before or via water analyses, etc.</p> <p>The lowering of groundwater levels can be avoided by reducing water consumption and/or using alternative sources of water (e.g. collecting rainwater).</p>  |
| 3.4.2.5 The organization ensures that waste water is handled in a manner that does not have a negative impact on water quality, soil health and structure or food safety.  | <p>The organization should have a plan for monitoring the water quality of all waste water discharged. The plan should include, at a minimum:</p> <ul style="list-style-type: none"> <li>establishment of baseline levels of acceptability for waste water quality</li> <li>method(s) of analysis of water quality and a specified frequency of monitoring</li> <li>a means to correct any incidence of contaminants down to adequate levels</li> <li>documentation of the above, or other suitable means of recording or verification.</li> </ul> <p>The organization should install water filtration or other treatment systems as necessary to meet the requirement.</p> |
| 3.4.2.6 The organization ensures that its members discharge waste water from any system  |   |

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| <p>with which the organization or its members are involved in a way that does not:</p> <ul style="list-style-type: none"> <li>• pollute water that might be used as part of a human or animal drinking supply</li> <li>• contaminate soil or crops with chemicals or their by-products</li> <li>• contaminate crops or soil with excessive nutrients or contaminate harvestable crops with pathogenic microbes. Attention should be paid to the judicious handling of animal manures near water bodies or flows</li> </ul> |  |
| <p><b>3.5 Fire</b><br/><i>Producers are expected to prevent the use of fire in ways that adversely affect natural systems.</i></p>   |  |
| <p><b>3.5.1 Minimum Requirements</b></p>   |  |
| <p><b>No minimum requirements applicable</b></p>   |  |
| <p><b>3.5.2 Progress Requirements</b></p>  |  |
| <p>3.5.2.1 The organization ensures that its members use fire to clear or prepare land for production only if it is known that this is the preferred ecological option.</p>  | <p>The rationale for using fire in this manner should not go against the requirements of standards in section 3.4. Traditional forms of agriculture may indeed be valid systems for sustainable production. However, factors such as increasing population pressure on a given land area or market incentives to produce cash crops cannot be allowed to compromise the integrity or sustainability of the traditional system.</p> <p>The certification body has the authority to require written justification that the practice is necessary, on a case-by-case basis.</p> |
| <p>3.5.2.2 The organization ensures that only trained members use fire to clear or prepare land.</p>   | <p>It is up to the organization to define what proper training is, based on their particular situation. This definition should be in written form and available to the inspector and the certification body.</p> <p>The organization should establish formal guidelines and clear practices to ensure that only targeted lands are burned, and that non-target lands are left unaffected.</p>  |
| <p>3.5.2.3 The organization ensures that its members have adopted fire safety procedures and practices that are appropriate to the operation.</p>  | <p>The organization should establish basic rules for fire management. These should be in written form and also communicated to all members.</p>  |
| <p><b>3.6 Genetically Modified Organisms (GMO)</b><br/><i>Producers do not use GMOs in either the production or processing of products.</i></p>  |  |
| <p><b>3.6.1 Minimum Requirements</b></p>   |  |
| <p>3.6.1.1 The organization ensures that its members do not grow any GMO products.</p>   | <p>Genetically engineered seed or planting stock should not be used. If certain members or parts of the organization produce products that are not destined for Fairtrade labelling, none of those products may be GMOs.</p>   |

### 3.6.2 Progress Requirements

3.6.2.1 The organization ensures that its members monitor possible GMO usage by neighbours and where necessary take additional precautions to ensure that their crops or any seed or propagation material saved for future plantings are not contaminated by GMO traits. The organization shall have a written plan that describes what methods it will employ to fulfil this requirement.

Producers' crops grown in the vicinity of neighbouring crops that are GMOs and of the same species are at risk of contamination via GMO pollen drift.

The meaning of the term 'vicinity' varies depending on the potential outcrossing of the crop in question. Wind-pollinated crops are riskier than insect pollinated crops, which are riskier than self-pollinated crops. Physical/terrestrial barriers and topography can increase or decrease the possibility of GMO contamination. Each operation should therefore make a reasonable attempt to assess its own situation, and present its plan of action to the inspector and certification body.

Verification that seed is not a GMO variety is mandatory for any species known to be available on the market in GMO form. Such verification can be in the form of a statement from the supplier of the seed or stock, which includes at a minimum:

- the seed or stock species, variety, and lot number (if applicable)
- whether it is or is not a GMO
- what percentage of purity the supplier guarantees the seed stock to be
- the country of origin of the lot or stock in question

The testing of seed supplies for the presence of GMO traits is generally not a required practice. The certification body has the right to require testing in cases of suspicion of GMO contamination.

When the organization carries out GMO testing, the results of the test shall be documented and include at a minimum:

- the species and lot number of the tested sample;
- the sample size
- the method of the test
- the sensitivity of the test
- the test result

Producers and organizations are encouraged to save their own seeds and propagate their own perennial plants from existing local (or otherwise regionally adapted) stock as far as is consistent with local law.

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| <p>3.6.2.2 The organization ensures that its members do not use any products derived from GMOs in primary production or in processing.</p>  | <p>The organization shall investigate all inputs used in field production and processing. It shall verify that no inputs that are used in the production or processing system constitute a GMO under Fairtrade certification. The means of verification shall be specified by the organization, approved by the certification body and verified by the inspector.</p>  |
| <p>3.6.2.3 Inputs, processing aids, and ingredients are traced back one step in the biological chain to the direct source organism from which they are produced to ensure that they are no longer regarded as GMOs.</p> | <p>For the purposes of these standards, if a GMO is passed through another non-GMO biological system so that it is transformed into a new product whose composition leaves none (or a negligible amount) of the original GMO substrate, the new product is no longer considered a GMO. Examples are: (i) the composting of GMO plant debris (no GMO microbes allowed) and (ii) non-GMO microbial fermentation of GMO corn into simple sugars, citric acid, or alcohol.</p> <p>Examples of non-compliant farming inputs are: (i) uncomposted GMO cornstalks or (ii) <i>Bacillus thuringiensis</i> (Bt) spray from a GMO strain of Bt.</p> <p>It should be noted that a biological transformation is required. Physical refinement alone (such as the refining of GMO soya oil to obtain lecithin or tocopherols) is not sufficient to meet the requirement.</p> |

## 4 Standards on Labour Conditions

*FLO regards the ILO Conventions as the authority on working conditions, and expects all registered producers to meet the requirements as far as possible. Where a significant number of workers are employed by a small farmer organization, there are specific standards to meet. Where a smaller number are employed and where workers are casually hired by farmers themselves, the organizations should take steps to improve working conditions and to ensure that such workers share the benefits of Fairtrade. This should be part of the development plan and be reported to FLO.*

*The term “workers” refers to all those employed, including casual, seasonal and permanent workers.*

*In cases where a plantation or factory is a member of the producer organization certified by FLO, the generic standards for hired labour apply fully and the plantation or factory will need to go through a separate inspection process.*

### **Applicable to all producer organizations:**

#### **4.1 Forced Labour and Child Labour**

*FLO follows ILO Conventions 29, 105, 138 and 182 on child labour and forced labour. Forced or bonded labour must not occur. Bonded labour can be the result of forms of indebtedness of workers to the company or middlemen. Children may only work if their education is not jeopardised. If children work, they must not execute tasks, which are especially hazardous for them due to their age.*

##### **4.1.1 Minimum requirements**

- 4.1.1.1 Forced labour, including bonded or involuntary prison labour, does not occur.
- 4.1.1.2 Children are not employed (contracted) below the age of 15.
- 4.1.1.3 Working does not jeopardise schooling or the social, moral or physical development of the young person.
- 4.1.1.4 The minimum age of admission to any type of work which by its nature or the circumstances under which it is carried out, is likely to jeopardise the health, safety or morals of young people, shall not be less than 18 years.
- 4.1.1.5 Employment is not conditioned by employment of the spouse. Spouses have the right to off-farm employment.

*Applicable to Producer organizations in which a significant number of workers are employed:*

## **4.2 Freedom of Association & Collective Bargaining**

*FLO follows ILO Conventions 87 and 98 on freedom of association and collective bargaining. Workers and employers shall have the right to establish and to join organizations of their own choosing, and to draw up their constitutions and rules, to elect their representatives and to formulate their programmes. Workers shall enjoy adequate protection against acts of anti-union discrimination in respect of their employment.*

### **4.2.1 Minimum requirements**

- 4.2.1.1 The organization recognises in writing the right of all employees to join an independent trade union, free of interference of the employer, the right to establish and join federations, and the right to collective bargaining.
- 4.2.1.2 The organization allows trade union organisers to meet all the workers, and allows workers to hold meetings and organise themselves without the interference of the management.
- 4.2.1.3 The organization does not discriminate against workers on the basis of union membership or union activities.

### **4.2.2 Progress requirements**

- 4.2.2.1 If one or more independent and active trade unions exist in the sector and the region, FLO expects that the workers will be represented by (a) trade union(s) and that the workers will be covered by a Collective Bargaining Agreement (CBA).
- 4.2.2.2 If no independent and active union exists in the region and the sector, all the worker's will democratically elect a worker's committee, which represents them, discusses with the organization and defends their interests. This committee negotiates with the organization an agreement on the conditions of employment, covering all aspects normally covered by a Collective Bargaining Agreement (CBA).
- 4.2.2.3 The representation and participation of the workers is improved through training activities. These are also aimed at improving the workers' awareness of the principles of Fairtrade.
- 4.2.2.4 If no union is present, the organization and the workers' committee gets into a process of consultation with the national union federation(s) and the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) or the respective International Trade Secretariat about improvement of the workers' representation and implementing a Collective Bargaining Agreement (CBA).

## **4.3 Conditions of employment**

*FLO follows ILO Plantation Convention 110, ILO Conventions 100 on equal remuneration and 111 on discrimination. All employees must work under fair conditions of employment. The producer*

*organization must pay wages in line with or exceeding national laws and agreements on minimum wages or the regional average.*

#### **4.3.1 Minimum requirements**

- 4.3.1.1 Salaries are in line with or exceeding regional average and official minimum wages for similar occupations. The employer will specify wages for all functions.
- 4.3.1.2 Payment must be made regularly and in legal tender and properly documented.

#### **4.3.2 Progress requirements**

- 4.3.2.1 Regarding other conditions of employment like maternity leave, social security provisions, non-monetary benefits, etc. at least the provisions as laid out in the Collective Bargaining Agreement or the Agreement signed between the workers' committee must be fulfilled.
- 4.3.2.2 All workers are employed under legally binding labour contracts.
- 4.3.2.3 The organization works towards all permanent workers having the benefits of a provident fund or pension scheme.
- 4.3.2.4 An adequate sick leave regulation is put in place.
- 4.3.2.5 A working hours and overtime regulation is put in place.
- 4.3.2.6 Salaries are gradually increased to levels above the regional average and official minimum.
- 4.3.2.7 Differences in the conditions of employment for casual, seasonal and permanent workers are progressively diminished.

#### **4.4 Occupational Health & Safety**

*FLO follows ILO Convention 155 which aims “to prevent accidents and injury to health arising out of, linked with or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.”*

##### **4.4.1 Minimum requirements**

- 4.4.1.1 Workplaces, machinery and equipment are safe and without risk to health. FLO may require that an inspection is carried out by a competent authority or independent inspection agency.
- 4.4.1.2 The following persons are not allowed to work with the application of pesticides: persons younger than 18 years, pregnant or nursing women, persons with incapacitated mental conditions; persons with chronic, hepatic or renal diseases, and persons with diseases in the respiratory ways.

##### **4.4.2 Progress requirements**

- 4.4.2.1 Among the workers' representatives, a person must be nominated who can be consulted and who can address health and safety issues with the organization.
- 4.4.2.2 Those who are handling agrochemicals are adequately trained in storage, application and disposal of these. They are actively informed of all relevant information on the product they are handling by the producer organization. This information is provided in the local language.
- 4.4.2.3 Adequate personal protective equipment of good quality is available and appropriate, especially for the use of agrochemicals. Workers handling agrochemicals must use it.
- 4.4.2.4 Workers' capability and awareness of the chemicals they are using, relevant health protection and first aid are improved through training.
- 4.4.2.5 Establishment of a occupational health and safety committee with the participation of workers.
- 4.4.2.6 Collective risk assessments are carried out regularly.

