



LICENSING APPLICATION POLICY

1. PURPOSE

This document outlines requirements for initial applications.

2. AREA OF APPLICATION

The process outlined in this document applies to requests and applications for Fairtrade licensing with Fairtrade International.

3. WHO NEEDS TO APPLY

Any company or producer organization interested in using any of the FAIRTRADE Marks on Finished Products to be sold to consumers, must have a valid license contract with Fairtrade International or a National Fairtrade Organization.

To become a Licensee, companies will have to be either certified or verified. The method of assurance that is chosen to assess compliance with the Trader Standard is related to the role of the company in the supply chain.

Fairtrade International's Brand, Trademark and Licensing (BTL) Unit, the workgroup responsible for Fairtrade International's licensing activities, will ensure that all certification and verification requirements are fulfilled.

3.1 Who Requires to be Certified

FLOCERT policies cover who must be certified. To become a Licensee, a company or producer organization must be certified if it falls under FLOCERT's "Scope of Certification".

In general, this means that every operator buying or selling Fairtrade Certified products up to the point where the product is in its final packaging and ready to sell to consumers must be certified, including any company buying a finished packaged product for the purpose of re-packing for final consumers. Certified means having undergone the required certification procedure (been audited against the Fairtrade Standards) by FLOCERT, and obtained the Fairtrade certification.

Companies trading in perishable products (fresh fruit including bananas, fresh vegetables or flowers) up to and including the importer in the 'Global North' must be certified. Any company after the importer that is packaging or labelling the fruit must be certified.

3.1.1 **Additional Entities**

Additional Entities do not need to be certified separately, but in some cases, like Sub-contractors and Own Additional Sites, need to be registered with FLOCERT under the



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respective master operator's certificate as Additional Entities, and must be audited at least once during the certification cycle.

Agents, as defined below, do not need to apply for certification or be registered with FLOCERT. However, FLOCERT shall be informed on time in case such service is needed including information on the service provided.

For more information, please refer to FLOCERT's ["Scope of Certification Explanatory Document"](#).

3.2 Who Requires to be Verified (Pure Licensees)

A company that just buys its Fairtrade certified products from a certified operator as Finished Products, packaged and labelled with their own brand name, and therefore, falls outside FLOCERT's "Scope of Certification", could also be eligible to become a Licensee. Those companies would be verified and monitored by Fairtrade International.

Fairtrade International reserves the right to determine which company will be the Licensee, in case the private label and the private label manufacturer both agree that this latter becomes the Licensee. This is normally done at time of application.

3.3 Fairtrade International Licensing Scope

All potential licensees located in Fairtrade International Territory must be licensed by Fairtrade International.

All companies located outside Fairtrade International Territory who wish to sell Fairtrade Certified Finished Products in Fairtrade International Territory must sign a contract with the National Fairtrade Organization (NFO) in the country of the domicile of the licensee, unless otherwise agreed between the domicile NFO and Fairtrade International.

All Fairtrade International Licensees who wish to sell labelled Fairtrade Certified Finished Products outside Fairtrade International Territory must ask Fairtrade International to get permission for them from the Destination National Fairtrade Organization.

3.3.1 Delegation of Licensees Responsibilities

Licensees have a number of responsibilities, such as the product registration, the Finished Product packaging artwork approval, the reporting of sales and the license fee payment.

Licensees may choose to delegate one or more, and even all of these responsibilities to another Fairtrade certified operator, normally their supplier or manufacturer, with the consent of Fairtrade International. The Licensee is ultimately responsible if the delegated party fails to perform the task on their behalf.



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4. EVALUATION

The BTL Unit determines whether the inquiring company would be eligible to become a Fairtrade International Licensee and sends a licensing application package to companies that are found eligible.

The BTL Unit reviews all the information and documentary evidence submitted by the applicant, to verify if the product, communication material or claim using the FAIRTRADE Mark meet the requirements of the Fairtrade Trader Standard and the FAIRTRADE Mark Guidelines.

If the enquiring company requires certification, the BTL Unit verifies that the applicant has a valid FLOCERT certificate (or permission to trade) for the product(s) they want to sell with the FAIRTRADE Mark. Valid means current, not suspended or withdrawn and covers the product(s) in the application.

If the enquiring company requires certification, but does not have a valid FLOCERT certificate (or permission to trade) at the time of application, or the scope does not include the product(s) for which the application has been made, or the certificate (or permission to trade) is suspended, the BTL Unit does not grant a license until the relevant certificate or permission to trade is provided.

If the applicant does not require certification (Verified or Pure Licensee), the BTL Unit verifies that the applicant is buying Fairtrade certified finished products under their own brand from a certified operator and selling them as consumer-ready product(s), not further transformed or repacked before sold to the consumer. In addition, the BTL Unit also verifies the applicant's Certificate of Incorporation.

If all the above is verified and there are no objective criteria upon which the license cannot be granted, Fairtrade International signs a License Contract with the applicant company, here after referred to as Licensee. The BTL Unit provides the Licensee with a copy of the signed License Contract. FLOCERT ECERT is informed of all the new Licensees.

All applications will be processed following the same application procedure as described in this policy, without discriminating against any applicant. All applications meeting the set requirements will be accepted, except in very exceptional cases.

Applications may be denied if in the opinion of the BTL Unit the applicant does not have the capacity to comply with Fairtrade Standards or Fairtrade Policies.

The BTL Unit may also deny an application if the applicant's behaviour or activity is not in line with the [Fairtrade Organization Code](#). The decision is based on objective criteria, they apply equally to all applicants and are supported by evidence.



The criteria include where the applicant:

- has misused a certification mark or a trademark,
- has made demonstrably false or misleading statements regarding social or environmental certification or labelling,
- has or intends to incite hatred based on ethnic origin, sexual orientation, gender, religion or other such social group, or:
- has admitted or has been convicted of corrupt, fraudulent or other similar behaviour.

If the License is denied, the BTL Unit will inform the applicant:

- a) That the license was not granted, and the reasons for that decision.
- b) About the BTL Unit's Complaints Policy and Reconsideration procedures.

4.1 Reconsideration

There are no appeals of licensing application decisions, however application decisions can be reconsidered. Reconsideration of licensing decisions are handled by the Head of BTL who will review all the relevant evidence, Standards and Policies.

Requests for reconsideration must be made in writing within 14 days of the decision and addressed to the Head of BTL to licensing-credibility@fairtrade.net. The Head of BTL acknowledges all requests within 5 working days of receipt.

The Head of BTL reviews all the relevant evidence, Standards and Policies and provides the applicant with a written response within 15 working days.

5. DISCONTINUATION OF APPLICATIONS

We will retain your application request active for a maximum period of 6 months after the application process has started. If the application process does not proceed due to the fact that the applicant does not submit missing information or fails to respond to Fairtrade International, after this period, your application will be considered as discontinued.

If the applicant wishes to continue with the licensing process after this 6-month period, a new application must be started from the beginning. All documents need to be resubmitted.

6. REAPPLICATION AFTER DE-CERTIFICATION



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Companies may reapply once they have again a valid FLOCERT certificate (or permission to trade) for the product(s) they want to sell with the FAIRTRADE Mark. Any outstanding fees prior to their de-licensing have to be paid, so the re-application is accepted.

The BTL Unit will evaluate each application to verify if the product, communication material or claim using the FAIRTRADE Mark complies with the requirements of the Fairtrade Trader Standards and the FAIRTRADE Mark Guidelines.

If all the above is verified and there are no objective criteria upon which the license cannot be granted, Fairtrade International signs a new License Contract with the applicant company.

7. DEFINITIONS

Additional Entity is a company/ legal entity, which handles Fairtrade products but does not take legal ownership of the Fairtrade product. Additional entities do not need to be certified separately but in some cases need to be registered, invoiced and audited.

Agent is a juristic or natural person who provides logistic or storage services for Finished Products to Fairtrade certified operators to facilitate trade. An agent does not under any circumstances buy or sell Fairtrade Certified products, and therefore at no time takes legal ownership of Fairtrade Certified goods. Therefore, does not need to be licensed, certified, registered or audited. However, FLOCERT shall be informed on time in case such service is needed including information on the service provided. An agent also does not handle the payment of the Fairtrade minimum price and/ or Fairtrade premium.

Fairtrade International Territory refers to all countries that are not covered by a National Fairtrade Organizations (NFO), including those where there are Fairtrade Marketing Organizations (FMO). A list of all current NFO and FMO may be accessed in our website at <https://www.fairtrade.net/about/fairtrade-organizations>.

Fairtrade Marketing Organization (FMO): Fairtrade Organizations without licensing operations, responsible for promoting Fairtrade in their countries.

FAIRTRADE Mark Guidelines provide direction to Fairtrade certified operators and Fairtrade Licensees on how to use the Certification Mark and the term Fairtrade on products and for communication purposes. The comprehensive guidelines also specify most types of bulk packaging and product promotion usage.

Fairtrade Trader Standard is the Fairtrade Standard that applies to all companies that buy and sell Fairtrade Products, and/or handle the Fairtrade minimum price and premium.



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Finished Product is a consumer-ready product, which is not further transformed or repacked before sale to the consumer.

Licensee is a company that has signed a contract with Fairtrade International or a National Fairtrade Organization to use of any of the FAIRTRADE Marks on one or more products, and thus are entitled to use the licensed FAIRTRADE Mark on those specific products covered by the license agreement.

Licensing body: A Fairtrade organization that has formal agreements in place with Fairtrade International to sublicense the FAIRTRADE Marks in their country or region. In the Fairtrade system, these are the national Fairtrade organizations (NFO). Fairtrade International is itself a Licensing Body, sub-licensing the FAIRTRADE Marks in countries where there are no NFOs present.

National Fairtrade Organization (NFO): full member of Fairtrade International. The NFO is responsible for licensing, marketing, business development and awareness raising in a defined geographical area. An NFO has the right to sublicense the FAIRTRADE Mark to Licensees and third parties in its area.

Reconsideration (in the context of this document) refers to a request by an Organization (or Licensee) to the Licensing Body for a reconsideration of their approval decision.

Sub-contractor is a company that provides product-related services on behalf of a certified operator and performs activities that fall under the Fairtrade Standards, i.e., handling / transforming the Fairtrade product in a way that affects either documentary or physical traceability (e.g. processing or storage of unfinished product when the product is stored in silo or stored products are mixed/repacked) or affects product composition rules. Sub-contractors do not at any time buy or sell Fairtrade Certified products, and therefore at no time takes legal ownership of Fairtrade Certified goods. Sub-contractors also do not handle the payment of the Fairtrade minimum price and/ or Fairtrade premium.