

# Fairtrade's new certification requirement for cocoa and coffee producer organizations and traders

20 May 2020

## 1. What is the change announced by Fairtrade International?

Fairtrade is [adding a certification requirement](#) for new coffee and cocoa producers and traders, as another step in Fairtrade's efforts to strengthen farmers' livelihoods, and enable them to earn a living income.

Cocoa and coffee farmer cooperatives and traders that want to become Fairtrade certified as of 1 June 2020 will need to demonstrate that they have commitments in place for new Fairtrade sales volumes in order to be eligible for certification. The commitments must be confirmed by the end buyer, whose products bear the FAIRTRADE Mark.

It will also be possible for new producer organizations to become certified, if necessary, to ensure supply continuity of an existing contract for Fairtrade certified cocoa or coffee.

This requirement is being implemented concurrently with the stakeholder consultations on the Fairtrade Standards reviews for coffee and cocoa, as a preliminary step while the full consultations can take place. It will be in effect for 14 months, or until superseded by the revised product-specific Fairtrade Standards, whichever occurs earlier.

Fairtrade is also pursuing other measures to support farmer incomes, including focused producer support and marketing efforts to expand demand for Fairtrade coffee and cocoa.

## 2. Who is affected by this decision?

Cocoa and coffee producer organizations (most commonly smallholder farmer cooperatives), and cocoa and coffee traders, that have not yet started the application process for Fairtrade certification.

## 3. Why was the decision made?

A key factor in cocoa and coffee farmers being able to move towards earning a living income is that they can sell more of their crop on Fairtrade terms. Among other benefits, this includes receiving the Fairtrade Minimum Price and the mandatory Fairtrade Premium, an additional amount on top of the selling price that farmer cooperatives choose how to invest in their businesses and communities.

This new requirement is part of how Fairtrade is seeking to deepen benefits for farmers. Producer organizations that are currently Fairtrade certified can continue to benefit from existing or expanded sales, while newly certified organizations will have committed Fairtrade buyers lined up. Fairtrade Producer Networks will be able to provide a higher

level of assistance to a more stable number of producer organizations. Traders that are part of Fairtrade supply chains can continue to develop trading relationships, with full commitment to Fairtrade principles.

We recognize that this step alone doesn't guarantee an increase in farmers' incomes. That is why we will also be reviewing and strengthening other measures, including support to producer organizations, data availability, and marketing efforts to further increase demand for Fairtrade products.

#### **4. How long are the requirements for new Fairtrade certification in coffee and cocoa in effect?**

These requirements are in effect for 14 months (through July 2021), or earlier if they are superseded by a revised Fairtrade Standard for Coffee or for Cocoa. The respective standards consultations include consideration of options for increasing benefits for farmers, and will take into account the preliminary impact of the new certification requirement on farmers' sales and other benefits. The coffee and cocoa standards reviews are both currently underway.

#### **5. What are the details of what is required?**

As part of the certification application process, a cocoa or coffee producer organization or trader will be required to submit a recommendation letter from a national Fairtrade organization confirming that the producer organization or trader has commitments for purchase of new Fairtrade volumes, through the supply chain to a final end Fairtrade buyer.

A company that licenses the FAIRTRADE Mark (or intends to) would provide this commitment assurance to the national Fairtrade organization at the request of the producer organization or trader wishing to apply for certification and from whom the company will be sourcing. If the company is based in a country without a national Fairtrade organization, Fairtrade International would provide the recommendation letter. The relevant Fairtrade organization will also check with the Fairtrade Producer Network in the region to assess whether the new commitment could be fulfilled by a currently certified producer organization.

In the event that the certification application is related to a need to fulfil existing Fairtrade commitments that can't otherwise be met (for instance, meeting certain quality, quantity, or product specifications), then the producer organization or trader applicant is required instead to submit a recommendation letter from their regional Fairtrade Producer Network (if based in producing regions), or from a national Fairtrade organization or Fairtrade International.

#### **6. Where can producer organizations and traders go for more information?**

Producer organizations or traders interested in applying for Fairtrade certification should first contact their next buyers to be sure they know the end buyer and specific volumes being committed, which is required in order to receive a recommendation letter. To find out which Fairtrade organization to contact to request a recommendation letter, contact [assurance@fairtrade.net](mailto:assurance@fairtrade.net). The Fairtrade certification application process can be started on [FLOCERT's website](https://www.flocert.org/).